

INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

No. 30,756

PARIS, THURSDAY, JANUARY 7, 1982

Established 1887



HOUSES SLIDE — One person was missing after a landslide swept two homes, bottom right, from the top of a hill in San Rafael, north of San Francisco, reducing them to rubble. Officials have reported at least 28 deaths following record rainfall in the area. Story, Page 3.

Israelis Perceive Familiar Pattern In Saudi Shifts Over Recognition

By David K. Shipler
New York Times Service
JERUSALEM — In first offering to accept Israel's existence, and then denying that the offer had been made, Saudi Arabia has followed a well-established pattern, according to Israeli analysts who have watched the Saudis closely for years.

NEWS ANALYSIS

Prince Saud al-Faisal, in an interview with The New York Times published Sunday, he said that if Israel returned occupied Arab lands and recognized Palestinian rights, his government was prepared "to accept it" — meaning Israel.

"Arab countries did not accept Israel, before, in 1948," Prince Saud declared. "The change has taken some time. There has been a tremendous shift on the part of Arab countries to accept this situation."

One Israeli government official who monitors Saudi radio broadcasts said he had expected a denial because Prince Saud's statement to The Times had not been reported in the Saudi media — usually a tip-off that it would be disavowed.

The prediction proved accurate. On Sunday night, the Saudi Foreign Ministry issued a denial, which was carried by the Saudi press agency. "There is absolutely no truth in what has been attributed to his highness about the kingdom's recognition of Israel," the statement said. "The important point in Prince Saud's statement concerned Israel's recognition of Palestinian rights and withdrawal from occupied Arab lands. Response to these two legitimate conditions could bring peace to the area."

There was no particular disappointment in Israel, which has gone through this backing and filling before. The government had refrained from official comment on Prince Saud's offer, although officials had noted privately that Israel had long expressed readiness to open peace talks with the Saudis, without preconditions. A similar offer and disavowal was made last Nov. 14, when Saudi Arabia's acting delegate to the United Nations, Gassaf M. Alagamy, told The Times in an interview that the eight-point peace plan of Saudi Crown Prince Fahd accepted Israel's existence.



Prince Saud al-Faisal

"an official Saudi source" saying that Mr. Alagamy was expressing only his personal views and had not been authorized to interpret the plan. The agency did not say that the plan would not recognize Israel.

Israel has opposed the plan because it demands the return of all territory occupied during the 1967 Arab-Israeli war, including East Jerusalem, envisions the establishment of a Palestinian state, and provides for Palestinians to return to their homes in Israel proper or to receive compensation. Whether Israel would be allowed by the Arabs to exist in peace under the plan has not been clarified by the Saudis, who have issued conflicting statements.

The same kind of contradictions were contained in Israeli remarks before the issuance of the peace plan, according to Israeli analysts. On May 25, 1980, for example, Crown Prince Fahd told The Washington Post in an interview that if Israel declared its willingness to withdraw from occupied lands, Saudi Arabia would bring other Arabs to negotiations.

He expressed support for the United Nations Security Council Resolution 242, which affirms the "sovereignty, territorial integrity and political independence of every state in the area and their right to live in peace." This obviously includes Israel.

But four days later, Prince Fahd told the Moroccan news agency that he had been misquoted. A month later he called for a jihad against Israel.

Analysts here interpret this as an effort to speak in moderate tones to Western audiences, and then in harder terms for Arab ears, to court favor in Europe and the United States while bolstering relations with more radical Arab regimes.

Other developments, including Israel's annexation of the Golan Heights, U.S. extradition to Israel of a suspected Palestinian terrorist and U.S. failure to support sanctions against Israel in the Security Council, appear to have led the Saudis into taking a step away from their pro-American position, according to the assessment here.

At a recent question-and-answer session at Dahrn University, Prince Fahd spoke positively about the prospects of Saudi relations with the Soviet Union.

According to one Israeli official, he used a formulation that had been employed in the past — that Saudi Arabia recognizes the importance of the Soviet Union plays in the Arab-Israeli conflict — but then added what the analyst called a new element. The prince said that although his country was not in a position to establish diplomatic relations with Moscow, it would, in the future, give expression to its friendship toward the Soviet Union.

Haig Going to Middle East
WASHINGTON — The State Department announced Wednesday that Secretary of State Alexander M. Haig Jr. would visit Egypt and Israel Jan. 12-14 for discussions on the Palestinian autonomy negotiations and other issues.

15% More Sought for Pentagon

Debate Expected On Reagan Plan

By George C. Wilson
Washington Post Service

WASHINGTON — Administration officials say President Reagan has approved a \$245-billion military budget for the coming fiscal year, an increase of 15 percent over this year's level.

The \$245 billion is in so-called obligatory authority, the right to spend money in the future. This is the best measure of the dimensions of the military budget. Actual Pentagon spending next fiscal year would be \$215 billion, up 18 percent from this year's likely total of actual spending.

The new figures remain subject to minor revision, but they are a clear and forceful continuation of Mr. Reagan's policy of increasing the military budget while cutting domestic programs. The figures are likely to provoke the sharpest congressional debate yet over administration priorities, partly because 1982 is an election year for one-third of the Senate and everyone in the House.

The president's \$245-billion request for the military for fiscal 1983 is \$32 billion above the fiscal 1982 obligatory authority of \$213 billion. The 1982 total includes a planned request of about \$6 billion in supplemental funds for military pay and \$7.1 billion for military construction — building barracks, airstrips and other facilities for the armed services.

By assuming the inflation rate will not go over 8 percent in the new fiscal year, Mr. Reagan's recommended 15-percent increase in obligatory authority makes good on his pledge to keep making real increases of 7 percent annually to improve the military balance with the Soviet Union.

Causes of Rise

The sharper rise in actual military spending, from \$182 billion in fiscal 1982 to \$215 billion in 1983, stems from pay increases and large bills falling due for stepped-up production of tanks, planes, ships and missiles. The fiscal year begins Oct. 1.

Critics who have reviewed Mr. Reagan's new military budget said more programs have been started than the services will be able to pay for in future years, meaning further political struggles and possible cancellations.

The Army is in particularly bad shape in this respect, they said, because it is trying to buy too much too soon, including the XM-1 tank at \$2.7 million each, an advanced but vulnerable attack helicopter whose cost is skyrocketing, a new generation of armored personnel carriers and a new family of battle-field missiles.

The General Accounting Office, after reviewing Army modernization plans last year, came to a similar conclusion. Because it is committing so much of its money to getting weapons built, the Army could well end up without enough money to keep them in fighting condition, the watchdog agency warned, sounding a theme now being supported by Pentagon specialists who reviewed the fiscal 1983 military budget.

Other Factors

Besides continuing to finance the Army's biggest modernization since World War II, the size of the new military budget was driven up by Mr. Reagan's plan to work toward a 600ship Navy to modernize the Air Force through large purchases of F-15 and F-16 fighters; to fulfill the Marines' request for more ships to take them to such possible distant trouble spots as the Gulf and for the AV-8B Harrier jump jet; and to upgrade strategic nuclear forces by setting aside billions of dollars for the first of a series of MX land-based missiles, and Cruise missiles that could be launched from either bombers, submarines or land bases in Europe.

Specifically, Mr. Reagan's fiscal 1983 budget, which is to go to Congress next month, would give the Navy \$13 billion for the new class aircraft carriers, in addition to three already built and one under construction. It also would provide for two new Los Angeles class nuclear attack submarines costing about \$600 million each and another Trident submarine with a price of about \$2 billion.

Abducted U.S. General Is Dead, Callers Claim

VERONA, Italy — Anonymous telephone callers to Rome newspapers said Wednesday that Red Brigades kidnappers had killed U.S. Brig. Gen. James L. Dozier and that his body would be found near Pescara in central Italy.

The Red Brigades in the past have given messages saying they had killed a hostage when in fact the victim was still alive. Gen. Dozier, 50, was kidnapped from his Verona apartment Dec. 17.



President Reagan says goodbye to Chancellor Helmut Schmidt.

Poland's Allies Attack Sanction Drive by U.S.

VIENNA — Poland's Eastern European allies accused the United States on Wednesday of putting pressure on Western Europe to join an anti-Soviet crusade. Dispatches from Warsaw in Hungarian and Bulgarian newspapers said conditions in Poland were steadily improving.

But the Czechoslovak Communist Party newspaper Rude Pravo charged the West with trying to revive what it described as its "bankrupt policy of rolling back Communism."

The newspaper, quoted by the news agency Cechka, said a substantial part of this strategy was that "economic cooperation could continue only on condition that the socialist countries leave free scope of action for anti-socialist elements."

Commenting on decisions made at a Brussels meeting of Common Market foreign ministers on Monday, Rude Pravo said Western interference in Poland's internal affairs was unacceptable and violated the Helsinki agreements of 1975. The EEC ministers condemned the military crackdown in Poland and threatened the Soviet Union with possible economic sanctions if it intervened there.

In Bratislava, the Slovak Communist Party newspaper Pravda said that by refusing to impose sanctions similar to those announced by the United States the Common Market countries had maintained their own approach to Poland and had not allowed Washington's policy to be forced upon them.

"There is no doubt, however," the newspaper said, "that U.S. pressure will continue to try to bring Europe onto the level of present U.S. policy, and that use will be made of the fact that within Western Europe there are serious differences on this matter — both between and inside governments."

In Sofia, the Bulgarian Communist Party daily Rabotnichesko Delo said: "The allies of the United States are trying to give Washington the glad eye, without following it in its anti-Polish and anti-Soviet economic crusade."

Warsaw's army newspaper, Zolnierz Wolnosci, said Wednesday that President Reagan brutally violated the Helsinki agreements of 1975. The EEC ministers condemned the military crackdown in Poland and threatened the Soviet Union with possible economic sanctions if it intervened there.

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Schmidt Joins In U.S. Criticism Of Soviet Union

From Agency Dispatches

WASHINGTON — Chancellor Helmut Schmidt of West Germany ended two days of talks Wednesday during which he and President Reagan agreed that the Kremlin is largely to blame for the crackdown in Poland but disagreed on how to deal with the behind-the-scenes action.

Following a meeting with Secretary of State Alexander M. Haig Jr., Mr. Schmidt left on the return journey to West Germany.

He and Mr. Reagan said Tuesday there is a need for a "forceful" Western response. Mr. Schmidt, however, again refused to join the United States in imposing economic sanctions against Warsaw and Moscow.

Mr. Schmidt, for the first time directly criticizing the Soviet Union in regard to the crackdown, joined Mr. Reagan on Tuesday in expressing concern about "the serious pressure" brought by Moscow against Polish efforts at reform.

Although Mr. Schmidt's comments about the Russians were milder than those of Mr. Reagan and other U.S. officials, they were welcomed by Reagan administration officials as a signal that West Germany is prepared to join with the rest of the alliance in steps against the Soviet Union if the crisis persists in Poland.

NATO Discussions
Mr. Schmidt said at a news conference that the foreign ministers of the North Atlantic Treaty Organization would discuss possible actions at a meeting Monday in Brussels.

In a communiqué issued after several hours of talks, Mr. Reagan and Mr. Schmidt said they "agreed on their analysis of the Polish situation."

"They noted that contrary to the undertaking of the Polish leadership to re-establish liberty and the process of reform, repression and violation of basic human rights in Poland continues," the document said.

Mr. Reagan and Mr. Schmidt discussed the various sanctions imposed by the United States on Poland and the Soviet Union, and the West German decision to hold in abeyance any further economic aid to Poland.

As for additional steps, the joint

statement said the two leaders agreed that the 35-nation Madrid conference on implementing the Helsinki agreement, now in recess until February, should deal with the Polish situation "as soon as possible" at the foreign-minister level.

It also said that the two countries would take "appropriate" action within the UN framework "with a view to denouncing the violation of human rights as well as acts of violence." It was not immediately clear what action the two countries would take.

The two leaders repeated Western calls for the ending of martial law in Poland, the freeing of prisoners and the renewing of a dialogue in Poland among the government, the Roman Catholic Church and the Solidarity labor movement.

"They both noted the responsibility of the Soviet Union for developments in Poland and expressed concern about the serious pressure it is bringing to bear against Polish efforts for renewal," the statement said. "They insist Poland be allowed to resolve its problems without external interference."

Of the key Western European allies, West Germany until now has been most reticent about holding the Soviet Union responsible for the crackdown in Poland, although it has been critical of the Polish authorities for their actions.

Mr. Schmidt, in an interview with The New York Times over the weekend, said that he felt that Gen. Wojciech Jaruzelski, the Polish leader, had acted primarily out of nationalist interests to save his country.

Gescher Comments
BONN (Reuters) — West Germany said Wednesday that the outcome of talks between Mr. Schmidt and Mr. Reagan showed there were no grounds for speculating on Western differences over how to handle the Polish crisis.

Foreign Minister Hans-Dietrich Genscher, who took part in the discussions in Washington on Tuesday, said on his return to West Germany that his country and its NATO allies and European Economic Community partners were determined not to let the issue cause a rift in their ranks.

Haig Expects Soviet Talks To Continue

The Associated Press

WASHINGTON — Secretary of State Alexander M. Haig Jr. suggested Wednesday that high-level meetings with the Soviet Union scheduled this month would be held despite the perceived Soviet role in instigating the Polish crisis.

At a news conference, Mr. Haig also held out the possibility that a summit meeting between President Reagan and President Leonid I. Brezhnev of the Soviet Union might be moved up because of the events in Poland.

Mr. Haig said Mr. Reagan and Chancellor Helmut Schmidt of West Germany agreed in talks Tuesday that arms-control talks scheduled to resume in Geneva next week should proceed because they "constitute a special category of East-West relations."

The two leaders agreed that the arms-control issue must be dealt with "outside the context of normal East-West relations" and that talks should continue "except under the most exceptional circumstances," Mr. Haig said.

The Geneva talks are aimed at limiting intermediate-range nuclear weapons in Europe.

Meeting Is Probable
Mr. Haig also said he was inclined to go ahead with his scheduled meeting this month with Foreign Minister Andrei A. Gromyko on laying the groundwork for negotiations on limiting strategic nuclear weapons. But he said a final decision on the Gromyko meeting would depend on events between now and then.

Raising the possibility of a superpower summit, Mr. Haig noted that Mr. Reagan had said such meetings were "more important during times of crisis."

Juan Carlos Denounces Campaign Within the Military to Slander Him

The Associated Press

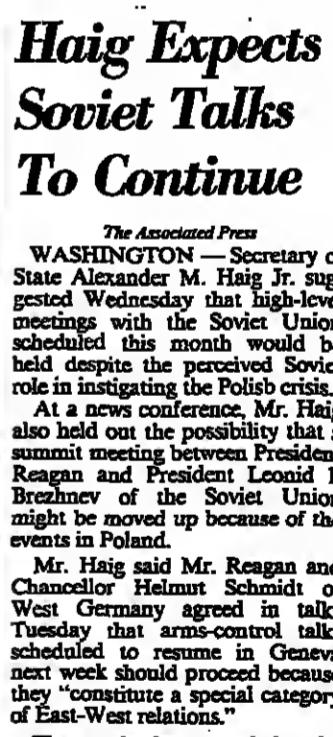
MADRID — King Juan Carlos I denounced a smear campaign against him within Spain's armed forces Wednesday in a speech that laid open new signs of military unrest.

"Nobody has heard me make even the slightest protest or discovered any effort to defend myself against these slanders that merit only the fullest scorn," the king told the nation's top military leaders.

The 44-year-old monarch said he would not go into details, but he indicated he was fully aware of leaflets being circulated within the armed forces insinuating he was involved in the attempt by rightist officers last February to overthrow the civilian government.

"I cannot ignore, although I would like to, the campaigns that have been let loose, the leaflets widely distributed among military men, the planting of some versions of the facts to poison and discredit the armed forces," he said.

The king chose the New Year's military celebration at the Royal Palace to denounce the smear campaign.



King Juan Carlos I, with Queen Sofia, addressing Spanish military leaders Wednesday.

But his public acknowledgment of continuing dissent within the armed forces lent strength to unconfirmed reports of another coup attempt and rumors that lawyers for 32 officers facing trial for military rebellion will try to show the king was involved.

King Juan Carlos has been widely credited with personally crushing the coup. The attempt collapsed 18 hours after 288 Civil Guards stormed the parliament and held the Cabinet and the entire lower house hostage at gunpoint.

Three generals are among those facing trial, which is expected to be held in the next two months.

Democratic Constitution
Speaking as commander in chief of the armed forces, the king thanked loyal officers for their help in "decisive moments" of the attempted coup.

But he made it clear he expected them to respect the country's democratic constitution established after the Franco dictatorship and to maintain discipline within the ranks.

"The armed forces constitute the



About 100 Polish-Americans and other sympathizers with the Polish trade union Solidarity marched outside the White House while President Reagan and Chancellor Helmut Schmidt held discussions inside. The demonstrators were calling for West German support of the U.S. sanctions imposed on Warsaw and Moscow following the military crackdown in Poland.

Schmidt Team Uneasy at White House

By John Vinocur

WASHINGTON — Chancellor Helmut Schmidt has been to the United States 40 or 50 times. He says he has lost count. The years blur now, presidents change, and he feels sometimes that he embodies all there is of continuity in the relations between the Germans and the Americans.

This time, though, the trip to Washington was different. There were pickets in front of the White House questioning his resolve as a man of the West, newspapers that found his position on Poland lukewarm and selfish, and not a trace of the usual after-dinner speech vocabulary of Mr. Schmidt's expertise, his steadfastness, his wisdom.

A bit more than three weeks after the imposition of martial law in Poland, the West Germans knew in advance that their caution, their measured distance about the situation there, had come close to arousing deep anger within the Reagan administration and the American public. The visitors' discomfort was obvious.

Genscher's Preparation

"How do you say Kämpfer in English?" Hans-Dietrich Genscher, the foreign minister, asked en route to the United States.

"The word is 'buddy,'" he was told.

"Spell it," Mr. Genscher said.

Somebody did. Then, a West German reporter recounted, someone asked the foreign minister what he was driving at.

"Because that's the word we might hear," Mr. Genscher said. "Something like Schmidt is Brezhnev's buddy."

The chancellor's White House mood seemed to be something less than relaxed. Although he received a pacemaker for his heart last fall, he is smoking again, and he smoked through lunch Tuesday with the president and a number of aides.

He also talked and talked. He kept the stage and talked, someone said later, "as if he thought if he only kept talking everything would be fine."

Mr. Schmidt talked about China. He talked about economics. He told someone that his walking stick reminded him of Frederick the Great of Prussia. And Mr. Schmidt talked about Leonid I. Brezhnev, a man he described as one deeply concerned about peace.

It was difficult to break in. The chancellor held the stage.

A Clear Message

There was no strain between Mr. Reagan and Mr. Schmidt. Just politeness and cordiality.

But the clear, straight message about American dissatisfaction was there at another level. It was given to Manfred Lahnstein, the state secretary in charge of the chancellery, and to Otto von der Gableitz, the director of the chancellery's department for foreign relations and security matters, men who report directly to Mr. Schmidt.

"American public opinion could not fathom," they were told, "how for weeks the Italian Communist Party had adopted a more critical attitude toward the situation in Poland than the government of the Federal Republic of Germany."

They also heard that the United States was at a loss to understand how one of its closest allies had gone along with the Soviet Union and Cuba on a motion concerning El Salvador at the United Nations in early December.

There was more: There was little sympathy here for a West German spokesman's "gloating" over how a U.S. call for greater military expenditures by European NATO partners was turned aside at a recent NATO meeting.

The West Germans listened and talked about the depth of the U.S.-German partnership. Why, one asked, had the American press been hard on West Germany and the chancellor, seeming to single them out for criticism? The answer was a shrug.

In Ethiopia, the Flight From Feudalism Is Taking a Toll

Conditions Improve for the Peasants, but Rising Prices Provoke Complaints From All Areas

By Jay Ross

ADDIS ABABA, Ethiopia — The Ethiopian revolution, despite many successes in improving the quality of life of the people, has run into severe economic problems.

Whether in the north or south, urban or rural areas, Ethiopians are complaining about the economy.

Wages of civil servants have been frozen since the 1974 revolution despite an inflation rate averaging 15 percent a year. In the countryside, where many peasants and workers readily acknowledge improved income, health care and schooling, others say that because of inflation they have only held even.

Some of the problems are familiar throughout Africa: drought, distribution difficulties, and petroleum bills that have soared while export prices have fallen.

Others, however, are peculiar to Ethiopia: post-revolutionary chaos in the face of vast economic reorganization, increasing costs from war and civil strife, and a decline in the amount of agricultural produce reaching markets.

A Growing Deficit

The result has been a trade deficit of more than \$250 million in 1980 with a higher figure expected for 1981. Reserves will not cover two months' imports and the resulting severe restrictions have caused shortages and hampered economic development.

Shortages of staples in the capital are common, resulting in a black market in some foods. There are also reports of occasional delays in payment of salaries to civil servants.

There have been few manifestations of discontent other than grumbling heard in conversations, particularly in the capital. A growing uneasiness by militiamen seeking higher pay and a work slowdown by truck drivers who carry goods for the key port of Assab are the most significant known protests held despite the authoritarian rule.

"The problems started in a big way in September," a civil servant here said. In the annual Revolution Day speech Sept. 12, Mengistu Haile Mariam, leader of the military government, annoyed many Ethiopians, according to the official, because he "attacked the Americans and corruption but didn't say anything about the problems really bothering us — the economy, frozen salaries, etc."

Ancient Problems

Ethiopia's economic problems are rooted in centuries of feudalism and underdevelopment, resulting in "large numbers of people living at the margins of existence, frequently vulnerable to drought and starvation," according to the Ethiopian presentation in September to the United Nations conference in Paris on the least developed countries. "There is a low standard of nutrition, inadequate access to clean water, widespread disease, a high infant-mortality rate and a shortage of health services."

Per capita annual income is \$105 and most of that is earned by the 10 percent of the 32 million population living in urban areas. Ethiopia's national budget in 1980 was only \$840 million.

Land reform has resulted in the peasants' being better off, but it has led to shortages in the cities. Since they now own their land,

the peasants no longer have to give half or more of their crop to their landlord as rent. Now they have more to eat, but since the government has replaced many middlemen with marketing boards using low, fixed prices, the peasants have less incentive to produce beyond their needs.

United Nations officials estimate that there has been a 15-percent drop in food crops coming to market since the 1974 revolution. In that period, the population has increased by about 5 million.

As a result, city dwellers must stand in line to buy limited supplies of tef, the staple grain, at the legal price of about \$25 for a 220-pound sack. Ample supplies are available on the black market for about \$50.

Coffee accounts for about two-thirds of Ethiopia's foreign-exchange earnings, providing \$300 million in 1980. The United States is the largest market for Ethiopian coffee, taking 38 percent of exports. Last year the price dropped by a third, exacerbating the country's balance-of-payments problems.

All other major exports, except hides and skins, have dropped since the revolution. Petroleum imports consume more than 40 percent of Ethiopia's foreign exchange earnings.

To attack the economic problems, the government set up an organization called the National Revolutionary Development Campaign and Central Planning Supreme Council. With about a thousand employees, believed to include seven or eight Soviet advisers, it has a reputation among Ethiopians as being "remote and filled with useless bureaucrats."

Whatever the difficulties, analysts say the

government has tried to redress decades of neglect of the poor and the rural areas, where 90 percent of the people live. As a result, real income in the provinces is up but it is down in the cities, except among the poor. Salaries of the lowest-paid urban workers have increased considerably.

"Any economic decision affects some positively and others negatively," said Canadian-educated Mersie Lijig, head of planning and programming for the supreme council. "As long as it's good for the masses, it's good. That's how we operate and I believe it's right."

Conditions Improve

Madeline Wolde-Gabriel, 45, a laborer at the nationalized Asmara textile mills, offers an example of how government policy affects the poor. She is a widow and supports four children.

An employee for 18 years, she now makes \$1.50 a day, three times what she made before the revolution. Her hours are regulated and she can get health care and paid pregnancy leave, all unknown in the past.

Standing barefoot as she watches her two carding machines — previously she tended four — the woman acknowledged the improvement in working conditions and said she felt much freer to criticize than in the days of Italian private ownership.

"I would have been fired for saying these things," she said through a translator.

She was taken aback, however, when asked how often her family eats meat. Hardly ever, it turned out.

"But prices are high and the needs of my family have increased. So my life is the same."

Warsaw Aide Outlines A Role for Solidarity

This dispatch was passed through Polish military censorship.

By John Danton

WARSAW — An adviser to Gen. Wojciech Jaruzelski has said there was "a place" for the Solidarity union as an independent, self-governing trade union in Poland as long as it did not stray into opposition politics.

The adviser, Capt. Wieslaw Gornicki, said in an interview Tuesday that Gen. Jaruzelski and the Military Council of National Salvation he heads "have no intention of dissolving Solidarity." And he spelled out the government's view of how such a union would function.

"The crucial thing is that in all the documents of the military council, it is repeated that in our system there is a place for an independent, self-governing trade union — independent from the state employer, but also independent from manipulation by political operators."

"It is a very firm and positive formulation. Gen. Jaruzelski has in mind retaining this trade union. The most important lesson we draw from the pre-August, 1980, situation is that while we cannot afford an opposition party, the system can't operate properly without an external control element."

Role Is Outlined

Such a trade union, he said, could perhaps even remain outside the "structure" of government but would not necessarily have to confine itself just to issues of wages and working conditions.

It could conceivably exert influence, for example, in an instance where "the local administration of a town does not live up to its promises." The exact role for Solidarity, Capt. Gornicki said, would have to be worked out.

Fund organizers feared this would have left only a fraction of the money in the hands of the bereaved families, with the rest going to public charities. "We have now decided we can use the money for the benefit of the families," said trustee coordinator John Moore. "It is what the donors intended and what the trustees intended to achieve."

Turkey's Ban On Import of Coffee Lifted

New York Times Service

ANKARA — Turkish coffee will return to Turkey.

The good news was announced Wednesday by the minister of commerce, Kemal Canturk, as a sign of better times.

For the past four years, the import of coffee has been banned, along with other dispensable items, as Turkey was forced to spend all of its hard currency earnings on costly oil products.

Most Turks resigned themselves to the loss of the national drink, converted to tea, which is produced locally.

Coffee had been banned in Turkey before. First introduced here in 1543 from Arabia, it became so popular that it was soon banned as a national vice. Orthodox Muslims denounced it as intoxicating and thus forbidden by the Koran.

The ban was lifted in 1591. Coffee flourished until 1633, when it was again outlawed. This time it was not the drink but coffeehouses — believed to be dens of conspiracy.

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IRA Trial Witness Hurt By Blast Near Dublin

From Agency Dispatches

DUBLIN — One of Ireland's leading forensic scientists, who was a key witness in the trial of two Irish Republican Army militants charged with murdering Earl Mountbatten of Burma in 1979, lost his left leg Wednesday when his car blew up in a suburb of Dublin.

Police said they believed a bomb had been planted under the hood of a car belonging to the 36-year-old scientist, Dr. James Donovan, an official of the Irish Justice Department.

Authorities likened the explosion to an Irish Republican Army car bomb blast that killed Lt. Gen. Stuart Pringle, the commander of Britain's Royal Marines, last November, and to an attack that killed Airey Neave, a British member of Parliament, at the House of Commons in March, 1979.

The attack was the first of its kind against a leading public official to the Irish Republic.

The doctor's forensic testimony was crucial to the conviction of Thomas McMahon for the murder of Lord Mountbatten, a distant cousin of Queen Elizabeth II, in November, 1979, along the western coast of Ireland. Francis McGirl, the second defendant, was acquitted of the killing, which was claimed by the IRA.

In Belfast, meanwhile, the British government announced Wednesday a \$90-million (\$173-million) program to aid the ailing economy of Northern Ireland, where one worker in five is unemployed. The increase will bring total economic aid to Northern Ireland to about £200 million for fiscal 1982-83.

Noraid Called IRA Agent

NEW YORK (Reuters) — A U.S. appeals court has ruled that the Irish Northern Aid Committee, a New York organization, is an agent of the IRA.

The decision Tuesday upheld a lower-court ruling ordering the committee, known as Noraid, to comply with U.S. law regarding foreign agents. Noraid registered in 1971 but the government said it had not provided information about officials, affiliates, financial dealings and other activities, including the dissemination of political propaganda.

Noraid, which raises money to aid Roman Catholic families in Northern Ireland, has denied that it is a front for the IRA.

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WORLD NEWS BRIEFS

Anti-Terrorist Officer Shot in Rome

The Associated Press

ROME — A gunman dressed as a mail carrier shot and wounded the deputy chief of Rome's anti-terrorist police at his home in Rome on Wednesday and fled with four accomplices, authorities said.

The wounded official, Nicola Simone, 41, was reported in satisfactory condition at a hospital. One of the attackers was also wounded when Mr. Simone returned the fire as he opened his door, police said.

An anonymous caller to an advertising company in Milan claimed responsibility for the attack in the name of a group he called the Nuclei Armati Prima Linea (First Line Armed Nuclei). Authorities said they had never heard of the group and were investigating the authenticity of the call.

Ford's U.K. Workers Accept Contract

United Press International

LONDON — The 54,000 workers of the Ford Motor Co. of Britain voted by a 2-to-1 majority Wednesday to accept a contract that will increase average pay by 7.4 percent, to £139 (\$245) a week, and reduce the workweek one hour, to 39 hours, on June 1.

Clark Moves Quickly Into New Position as U.S. Security Adviser

By Hedrick Smith

WASHINGTON — William P. Clark moved swiftly into his new job as President Reagan's national security adviser, taking part in presidential talks with Chancellor Helmut Schmidt of West Germany and running the agenda of a National Security Council meeting.

David R. Gergen, the White House communications director, said Tuesday that Mr. Clark would begin his daily briefings of Mr. Reagan "in a matter of days." That practice, common under previous administrations, was suspended during the tenure of Mr. Clark's predecessor, Richard V. Allen. Its reinstatement was taken as an indication of the enhanced authority being given Mr. Clark in the White House hierarchy.

In an effort to curb disarray in the administration's foreign policy pronouncements, Mr. Clark was also understood to be pushing for a procedure that would require prior clearance from the National Security Council for public statements on foreign affairs by senior White House officials. While other presidential advisers were said to endorse the need to tighten the administration's control of public statements, a White House source said no firm rules had been issued.

Loyalist Favored

At the State Department, Secretary of State Alexander M. Haig Jr. was reported to want to promote Walter J. Stoessel Jr., undersecretary of state for political affairs, to Mr. Clark's old job as the department's second-ranking figure and then to move Lawrence S. Eagleburger, assistant secretary for European affairs, into the No. 3 post, replacing Mr. Stoessel.

Labor Mends Rift With U.S. Democrats

By Warren Brown

WASHINGTON — Labor and Democratic Party leaders have formally ended their trial separation, vowing to live and work together at least until the Republicans have been forced out of the White House and the Senate majority.

The reunification occurred Tuesday at the initial meeting of the Democratic National Committee's new 20-member Labor Council, which has as its first goal the election of a pro-labor Congress this year.

"Creation of the council marks the reaffirmation of the... partnership between working men and women, organized labor and the national Democratic Party," said the committee chairman, Charles T. Manatt.

Mr. Manatt labeled the council as the party's "tangible recognition that in the last 10 years organized labor has not taken a direct, active role in the party's activities."

Hostility Toward Reagan

But Mr. Manatt implied that the basic material used in putting together the Labor Council — a tenuous amalgam of liberal and conservative union presidents — was hostility toward the Reagan administration's domestic policies. In its first year in office, the administration has shown itself to be "the most anti-union, anti-worker administration in this country in the last 50 years," Mr. Manatt said.

Robert F. Bonifant, the White House chief of labor liaison, objected to that description Tuesday. "I think it would be far healthier if the labor representatives would take a more bipartisan approach," he said. "Instead of putting all their eggs in one basket, they should be making a conscientious effort to participate in the Republican Party at national, state and local levels."

The co-chairman of the council, Glenn E. Watts, president of the 508,000-member Communications Workers of America, said that much of organized labor has decided to return to the Democrats because of mistreatment from such Republicans as Sen. Orrin G. Hatch of Utah, chairman of the Senate Committee on Labor and Human Resources, who has frequently opposed organized labor's legislative programs.

Prime Target

Mr. Watts said that Sen. Hatch would be a prime target for removal in the November elections. Mr. Watts said that labor "will spend all of the money we can get out hands on" to get Sen. Hatch out of office.

Mr. Watts, who also holds a regular seat on the Democratic National Committee, said that while his service on the Labor Council means that the communications union has "an association" with the Democratic Party, union members who are Republicans or who want to support Republicans will not be forced to support union leadership in political matters.

John T. Joyce, president of the International Union of Bricklayers and Allied Craftworkers and also a co-chairman of the Labor Council, said the union's affiliation with the Democrats "essentially is an organizational relationship that really begins with issues." It does not mean the unions "will stand to one side" if those issues are not addressed, he said.

2 More Spanish Oil Deaths

REUTERS

MADRID — Two more persons have died from consuming adulterated cooking oil in Spain, bringing the fatality count to 234 since last May, Spanish health officials said.

But high-level administration sources said there was some sentiment at the White House and among conservatives outside the administration for filling the No. 2 job at the State Department with a longtime Reagan loyalist rather than a career diplomat like Mr. Stoessel, who has previously served as ambassador to the Soviet Union, Poland and West Germany.

These sources said conservatives were promoting Laurence H. Silbermann, a former ambassador to Yugoslavia and an outspoken conservative who had a senior position in Mr. Reagan's foreign policy transition team.

Two other favorites of longtime Reagan loyalists are James L. Buckley, undersecretary of state for security assistance and a former senator from New York, and James J. Kirkpatrick, the chief U.S. delegate to the United Nations.

Reports that Mr. Haig wants to put Mr. Eagleburger into the No. 2 spot at the State Department brought a sharp negative reaction from conservatives. They have long fought against a high appointment for Mr. Eagleburger because of his long service as an aide to former Secretary of State Henry A. Kissinger. But Mr. Haig was reported by associates to want to give Mr. Eagleburger broad responsibilities rather than having him concentrate only on Europe.

At the State Department, Secretary of State Alexander M. Haig Jr. was reported to want to promote Walter J. Stoessel Jr., undersecretary of state for political affairs, to Mr. Clark's old job as the department's second-ranking figure and then to move Lawrence S. Eagleburger, assistant secretary for European affairs, into the No. 3 post, replacing Mr. Stoessel.

Mexico's Envoy Recalled Over U.S. Immigration Shift

Los Angeles Times Service

MEXICO CITY — The Mexican government has recalled its ambassador to Washington, Hing B. Marguin, for consultations over a recent change in U.S. immigration policy that will make tens of thousands of Mexicans in the United States vulnerable to deportation.

"We are very concerned about this matter," said a Mexican diplomat who requested anonymity. He said his government believes that at least 20,000 Mexicans in the United States would be affected by the move. Jorge Bustamante, an influential government immigration adviser, estimated the figure at 100,000, while U.S. sources put it at less than 50,000.

Mr. Marguin's recall on Tuesday was the government's first reaction to the new U.S. policy, which would allow the United States to apply for a letter which, in effect, became a temporary permit for them to remain pending the possibility that they might receive an official visa. The lawsuit argued that immigration quotas for Western Hemisphere residents had been applied in a discriminatory fashion.

Last month, however, the U.S. State Department determined that anyone who might qualify for such a visa had received one already.

The Silva letter, which grew out of a 1977 lawsuit, allowed immigrants to the United States to apply for a letter which, in effect, became a temporary permit for them to remain pending the possibility that they might receive an official visa. The lawsuit argued that immigration quotas for Western Hemisphere residents had been applied in a discriminatory fashion.

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Police Recover Arms Stolen Near Toulouse

Reuters

TOULOUSE, France — Police have recovered all the weapons stolen by gangsters from a French military arms depot near Toulouse in November, justice officials have announced. Several different groups of political extremists had been suspected of carrying out the raid.

The 115 submachine guns and four heavy machine guns were found Monday buried in a field about 30 miles (50 kilometers) from Foix Barracks, from where they were stolen, the officials said Tuesday. They said several known criminals had been arrested in connection with the raid, including a former conscript at the barracks.

The director of the program, Anthony Thomas, whose movie, "Death of a Princess," in 1980 strained British-Saudi relations, said he spent five days last summer filming Mr. Terpil in Beirut, and another six months shooting background in the Middle East, Africa, Britain and the United States.

Mr. Terpil was indicted by a U.S. grand jury last November on charges that he conspired to sell arms, ammunition and coding devices to the Amin regime. In 1980, he and another former U.S. intelligence agent, Edwin P. Wilson, were charged with shipping explosives to Libya to be used in training terrorists.

Mr. Thomas said that Mr. Terpil was last seen in Beirut last Nov. 7, when he disappeared. He said the American is believed to have been kidnapped by Syrian security forces with whom he was in contact.

On the program, Mr. Terpil said he joined the CIA from the U.S. Army and was trained by its technical services division, which he called "the dirty tricks brigade."

He said he quit in 1972, after getting into trouble over his side-line currency dealings while based in New Delhi, and started out on his own.

Mr. Terpil said that one of his big deals was selling the late Shah \$48 million worth of equipment to listen in on telephone conversations in Tehran and "bug his own government and secret police."

Mr. Thomas suggested that the smoothness of Mr. Terpil's operations in different countries stemmed from his CIA contacts and that he may ever actually have left the organization.

The director put the point to William Colby, head of the CIA from 1973 to 1976, who said that it could have been possible to put an agent into deep cover, but that he did not know the full circumstances of the Terpil case.

Mr. Thomas charged that Mr. Terpil's sales included instruments of torture. Mr. Terpil rebutted working for the security service of Marshal Amin in Kampala, but said that although he sometimes heard screams from the basement, he never saw any.

Agreement on Guilty Plea

WASHINGTON (AP) — Douglas M. Schlachter Sr., accused of supervising a terrorist training project in Libya for Mr. Wilson and Mr. Terpil, has agreed to plead guilty to two counts of an 11-count indictment, a federal prosecutor said Wednesday.

Mr. Schlachter, 48, was indicted by a U.S. grand jury last November on charges that he conspired to sell arms, ammunition and coding devices to the Amin regime. In 1980, he and another former U.S. intelligence agent, Edwin P. Wilson, were charged with shipping explosives to Libya to be used in training terrorists.

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A woman was rescued after her car stalled in floodwater in Petaluma, near San Francisco.

28 Killed in Northern California Storm

From Agency Dispatches

SAN FRANCISCO — At least 28 deaths had been reported Wednesday after one of the most destructive rainstorms to hit the San Francisco area.

Police said the death toll could rise when rescuers cleared giant mudslides in the area. The storm, which whipped into Northern California on Sunday, began to subside Tuesday morning.

Property damage was estimated at \$100 million, including more than \$20 million in Marin County, across the Golden Gate Bridge from San Francisco. Houses collapsed when the earth beneath them turned into flowing mud following record rainfall Sunday night and Monday.

Gov. Edmund G. Brown Jr. declared a state of emergency late Tuesday for the six counties hardest hit by the storm — Marin, Sonoma, San Mateo, Santa Cruz, Contra Costa and Humboldt — freeing state money for repair work.

In San Francisco, 6.3 inches of rain (about 16 centimeters) fell at International Airport, the heaviest downfall in a 24-hour period in the area in more than 50 years. Heavy snowfall buried mountain passes to the east and north. The Golden Gate Bridge was closed for only the third time in its history at midmorning Tuesday by mudslides that blocked the northern approaches.

Ex-CIA Operative, on British TV, Describes Role as Arms Supplier

The Associated Press

LONDON — Frank E. Terpil, a former CIA agent, has appeared on a British television program and calmly told how he sold guns, explosives and poisons to clients including Libya's Col. Moamer Qadhafi, the former Ugandan dictator Idi Amin, and the late Shah of Iran.

Mr. Terpil, currently a fugitive from a 35-year prison sentence in New York for gunrunning, was the central figure in a documentary Tuesday night called "The Most Dangerous Man in the World."

His other clients, according to the program, included the Turkish terrorists known as the Gray Wolves, who trained Mehmet Ali Agca, the man who shot Pope John Paul II. Mr. Terpil did not deny it.

The program depicted Mr. Terpil, 43, as a dealer in death, willing to sell equipment and advice to anyone able to pay.

Asked if the politics of his clients did not bother him, Mr. Terpil smiled and replied: "I regard myself as neutral and commercial."

The director of the program, Anthony Thomas, whose movie, "Death of a Princess," in 1980 strained British-Saudi relations, said he spent five days last summer filming Mr. Terpil in Beirut, and another six months shooting background in the Middle East, Africa, Britain and the United States.

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Three children were buried by a mudslide that

overran a home at Pacifica, a suburb 15 miles (24 kilometers) south of San Francisco. Workers using giant night lights mounted on trucks late Tuesday found the bodies of the three children in the beds of their collapsed home.

Further south, in the village of Ben Lomond, in the mountains above Santa Cruz, up to 15 persons were feared buried in the wreckage of eight homes.

The sheriff's office in Santa Cruz County said one woman was last seen being carried toward the sea by the raging San Lorenzo River, a usually small stream that flows through Santa Cruz.

A couple and their young son were missing in an airplane that was presumed to have gone down in the Sierra Nevada near Tioga Pass above Yosemite National Park.

Meteorologists said the storm originated near the Hawaiian Islands and because it was tropical, carried a much heavier moisture content than the usual winter storms in the area that begin in the Aleutian Islands.

The nature of the soils around San Francisco Bay had a role in the extreme damage. The soils mostly are adobe-like clays that the sun bakes brick-hard in the dry summers, but that absorb so much water during rains that steep hillsides begin to fall away.

Ex-Green Beret Gets 2 Years for Shooting Libyan

New York Times Service

FORT COLLINS, Colo. — A former Green Beret convicted last month of the 1980 shooting of a Libyan student here has been sentenced to serve two years in prison.

A U.S. District Court judge imposed the maximum sentence Tuesday for each of the two counts on which Eugene A. Tafaya, 48, was convicted, and ordered that the terms be served concurrently.

Mr. Tafaya was released on bail pending an appeal.

Mr. Tafaya was depicted by prosecutors as a hired killer who had bungled the slaying of Faisal Zagall, a student at Colorado State University. The student was described as a critic of Col. Moamer Qadhafi, the Libyan leader.

Mr. Zagall, who was shot twice in the head, survived the attack, but lost the vision in his right eye.

Prosecutors said they believed Mr. Tafaya had been hired by Edwin P. Wilson on behalf of Libya.

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Further south, in the village of Ben Lomond, in the mountains above Santa Cruz, up to 15 persons were feared buried in the wreckage of eight homes.

The sheriff's office in Santa Cruz County said one woman was last seen being carried toward the sea by the raging San Lorenzo River, a usually small stream that flows through Santa Cruz.

A couple and their young son were missing in an airplane that was presumed to have gone down in the Sierra Nevada near Tioga Pass above Yosemite National Park.

Meteorologists said the storm originated near the Hawaiian Islands and because it was tropical, carried a much heavier moisture content than the usual winter storms in the area that begin in the Aleutian Islands.

The nature of the soils around San Francisco Bay had a role in the extreme damage. The soils mostly are adobe-like clays that the sun bakes brick-hard in the dry summers, but that absorb so much water during rains that steep hillsides begin to fall away.

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Static Over the Atlantic

It is always good to welcome Helmut Schmidt, and it was especially good to hear him agreeing with President Reagan that the Soviet Union had a responsibility for the Polish affair. Previously, the West German chancellor had not acknowledged any such connection. In his statement to his parliament on Dec. 18, for instance, he gave his heart to the Polish workers, but did not find occasion to observe that Moscow had a hand in crushing them. Oddly, at his press conference in Washington on Tuesday he insisted that he had so observed.

Or perhaps it is not so odd. Chancellor Schmidt has put himself, along with his country, into a hard place in the last month. More than any other country, West Germany needs the physical and psychological assurances that flow from a firm American guarantee. In many ways, economic as well as strategic, Mr. Schmidt has made an immense contribution to Atlantic solidarity. In respect to Poland, however, the chancellor has sometimes seemed to be listening to a distant voice, one suggesting that, for the pursuit of his strictly West German goals, Atlantic solidarity may not be the ultimate West German interest after all. His slowness to call a Soviet spade a spade is one part of this. His amnesia concerning his prior statements is another.

It is sometimes suggested that the Reagan administration, as others did in the past, de-

mands an excessive degree of deference from its European allies and ignores their special circumstances. Whatever the truth of this rap in the past, we do not think it applies to Mr. Reagan in this period. What he has wanted — and what, we think, most Americans would want — is not that the West Germans and the other Europeans should instantly snap a salute to the White House, sever all of their ties with the East and revert to old-style Cold War while the president, confusing a rank campaign promise with holy writ, continues to ship Moscow grain. No, what has been wanted really is simply an uncluttered acknowledgment that Europeans and Americans are on the same wavelength: that they empathize equally with the Poles' striving, that they condemn equally the sources of the Poles' tragedy. Is that so much?

Things are better after Chancellor Schmidt's talks. But they are not good enough to support easily the burdens that events will keep pressing on the bridge that the NATO powers have been trying to throw across the Atlantic for 30 years. The allies' diverse reactions to the Afghan invasion were explained at the time by the remoteness of Afghanistan. Poland is Europe. On both sides of the Atlantic, it is a time to look hard at what the West's diverse reactions to the Polish crackdown have revealed, to ask the hard questions and to avoid the pat answers.

THE WASHINGTON POST.

Foreign Policy Promoted

It is high time that President Reagan got someone in his inner circle to coordinate foreign policy full-time. William Clark comes to the job with only a year's experience in world affairs, as deputy secretary of state. He will not, therefore, have much independent knowledge or sensitivity about the advice flowing to the president. But, unlike the hapless Richard Allen, he has a long association with Reagan and is promised regular access to the Oval Office. That means that important conflicts can now come to Reagan in a timely fashion. It also offers a new chance to impose the president's priorities on the capital's most powerful bureaucracies.

With a better White House operation, it is at least conceivable that Reagan would have been spared the imbroglio over selling AWACS to Saudi Arabia. He might have learned earlier that delay on arms control was damaging the Western alliance. He surely would have developed a policy on the Palestinian question and made his meetings with Prime Minister Begin and President Sadat more fruitful. He might have done less empty fuming over El Salvador and emerged with a less bellicose reputation. And he might now be far along in determining whether he can really afford the threat of an all-out arms race in his approach to the Soviet Union.

One new aide cannot compensate for this president's obvious inexperience in foreign affairs. But process counts, and the Reagan

team is commendably attempting a difficult midterm correction.

The job of national security adviser has had to be reinvented in each administration, because each modern president has wanted a different role. But in 30 years, none got by with the sort of low-level functionary that Allen became. Even strong secretaries of state cannot control military, economic and intelligence policies, all of which crucially impinge on diplomacy. The stronger the Cabinet heads, the fiercer their rivalries.

Only a full-time White House official can keep the departments in line and give the president fair account of their disagreements and disobedience — and then only if he has the president's confidence and ear.

Reagan wanted no super secretary of state, like Henry Kissinger, or second secretary, like Zbigniew Brzezinski. But they performed only as their presidents wanted. By downgrading Allen's office, Reagan did little to still Haig's jealousies, and increased the confusion and conflict all around.

Allen, it should be stressed, was faithful to his assignment. Had he been judged adequate for the job as now redefined, he might have survived despite his failure of judgment about that stray \$1,000 and other contacts with former foreign clients. But the president needed something more, and therefore someone else, from the start.

THE NEW YORK TIMES.

Covering Polish Debts

The Polish government wants everyone to know it has the money in hand to pay the current installments on its enormous foreign debt. The checks, it says, are in the mail. The money presumably comes from the Soviets — just in time to avert a massive Polish default this month. But the same crisis is likely to recur repeatedly throughout the year.

Poland's debt is the result of the deeply flawed economic strategy that it pursued in the last decade. The central idea was to borrow heavily abroad to build factories producing consumer goods for export. The exports were then to pay off the foreign loans and, in addition, buy the imports to raise the Polish standard of living. Unfortunately, the government insisted on maintaining the same rigid centralization of control that had contributed heavily to all the previous Polish economic failures. The goods shipped into

world markets generally failed to compete either in quality or in price. Meanwhile, the two oil crises of the 1970s held down consumer demand in the West.

But the Soviets have good reason to forestall Polish default. Western banks tend to regard the Soviet Union as the guarantor of all the loans to its East European clients, and a Polish failure would threaten to close down commercial credit to the whole Eastern bloc. That in turn would spread Poland's paralysis to its neighbors.

How long will the Russians keep paying the debt installments? If a default is to be prevented, it is they who will have to do it. The West ought to be ready to make substantial concessions to assist economic and political reform in Poland. But it is up to the Russians to finance martial law.

THE WASHINGTON POST.

Other Opinion

A Weak Salute at the Kremlin

According to George Will [HT, Dec. 18], syndicated columnist: "Russia is using a satellite regime to suppress Poland and chill all of Europe while Western statesmen beguile themselves with sophistry about Russia's nonintervention." According to William F. Buckley Jr. [HT, Dec. 23], syndicated columnist: "In Poland we see the best in the Western soul. Elsewhere in the West, we cannot do our part. Our irresolution may prove terminally effective."

Such quotes are worth rehearsing because

they come from the newspapers that carpet the White House. They, as well as the feelings they represent, are real enough: right-wing pressure on an ostensibly right-wing administration to put the boot into the Kremlin — and into the damp capitals of Europe. Such pressure is hard to resist. Mr. Reagan has not resisted, reluctantly unveiling yet another package of sanctions, this time directed at Moscow.

It is, alas, necessary to say that the latest bundle — however minimal — is both silly in detail and botched in timing.

— From The Guardian (London).

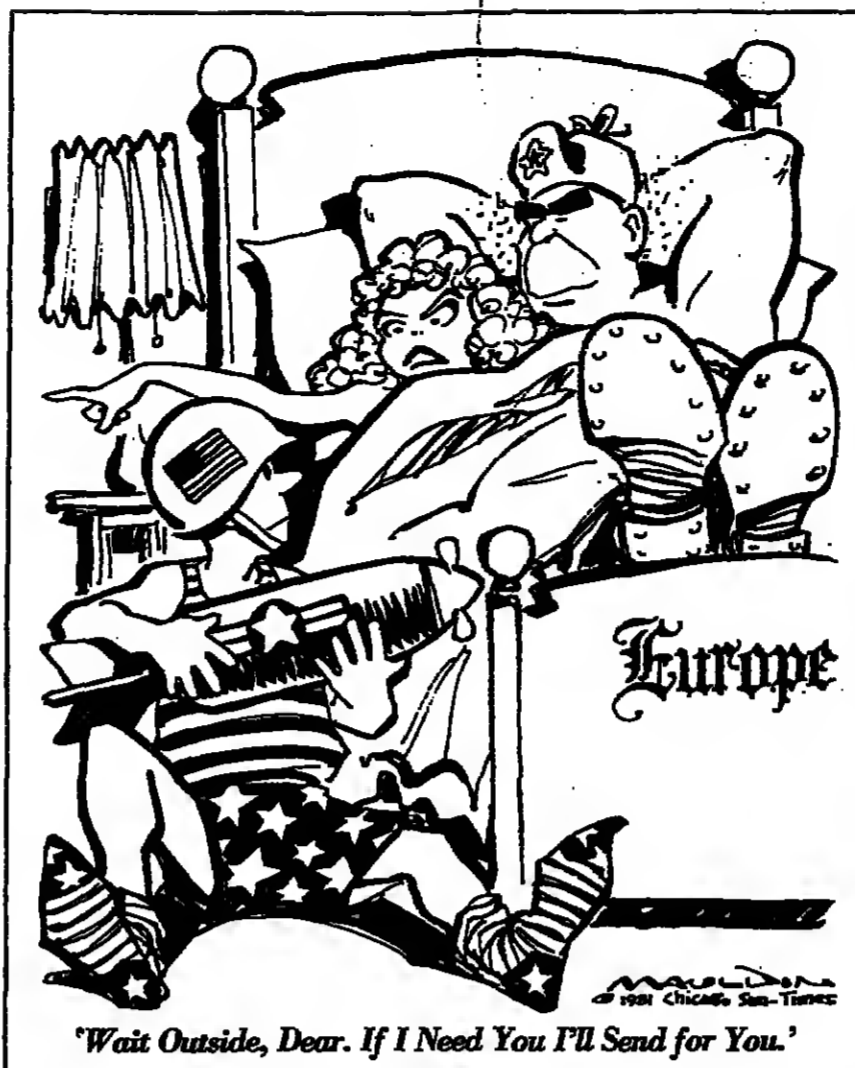
Jan. 7: From Our Pages of 75 and 50 Years Ago

1907: Cockfighting Crusade

HAVANA — At last the Liberals, to whom the voters propose to turn over the new republic, have found a political issue. It is the restoration of cockfighting, prohibited by a military order of the last American occupation and enforced by President Palma. El Rebelde, a party organ, announces that a big manifestation will be held to demand that Gov. Magoon rescind the order. It says that the excursion trains from all parts of the island will bring 100,000 people to this city to protest against it. All the city bands will patriotically offer their services. The newspaper declares that the masses will move on the palace, and a committee will set forth that the Cubans desire to fight cocks. The manifesto ends: "Cubans, long live your national sport! Viva Cuba!"

1932: Roosevelt to Stand

NEW YORK — Gov. Franklin Delano Roosevelt of New York, still silent on the question of prohibition, has definitely entered the presidential race in a speech before the state legislature in Albany, as John J. Raskob, chairman of the Democratic national committee, seeks to bring about a rapprochement between wet and dry leaders in Washington that would result in the party going into the presidential race with a prohibition referendum plank in the platform. Roosevelt, addressing the state assembly on local problems, seized the opportunity to assail the leadership of President Hoover, and delved into national problems in a way that left no doubt that his address was tantamount to announcing his candidacy for the presidential nomination.



When the Taxi to Cairo Stops at El Arish

By Philip Geyelin

EL ARISH, Sinai — By the time you read this, I will not be at this makeshift gateway between Egypt and the remaining Israeli-occupied Sinai desert. I am not sure where I will be. But this is where I was brought up short after setting out by taxi to Cairo from Tel Aviv.

The idea was to get some sense of what it is like for Israelis to have even just one open border (other than the sea), to be on more or less peaceful terms with at least one neighboring state, to be able to drive, in the spirit of Camp David, from let's say, the Galilee to the Aswan dam.

The Israeli-Egyptian border passage will be even freer and easier after April 25, the deadline for the final Israeli withdrawal. Then, if all goes well, the 1979 Israel-Egypt peace treaty comes into full force.

But passage is feasible now, given a somewhat better idea of exactly how (and when) to go about it than I set out with.

Result: What I got in the course of a long day's driving was not so much a sense of new Israeli running room as an acute awareness of why Israeli feel besieged in, beleaguered, confronted all around by clashing cultures — and of how this, justifiably, must affect Israeli actions and attitudes.

By way of setting my mind at ease, my friend Simon at the wheel stopped by his apartment on the way out of town to pick up a revolver: "Arabs," he explained cryptically. For good measure, he stopped again to pick up a hitchhiking Israeli policeman: "Now we have real security."

We didn't need it. The wisdom of my de-

cision to pass up the easy thing — a 45-minute trip by air — was reinforced by flashing glimpses of Bedouins on camels, small boys galloping donkeys along the highway, the colorful clutter of fruit stands in the Gaza strip, the famous Sinai.

The pulse quickens and visions of Cairo dance on the bright waves of sand as you draw up to this Israeli checkpoint. There, a lone and languid guard raises his head only long enough to advise you that the border is closed. There are no Egyptian border officials working today, no Egyptian taxis on the other side to take you the rest of the way. (Israeli taxis are not allowed across.)

No Way, Heathen

Why? Because, indeed, this is Friday, Egypt's "Sunday," a Moslem holiday.

Your wisest says there is no use arguing. But police barriers are not for Jews only. A sympathetic official in a nearby office gives permission from a superior to pass through if the Egyptian soldiers on their side are amenable. They are not, understandably, without orders from above.

An antic effort is made by phone to pass a message to the Egyptian Embassy in Tel Aviv for relay to an Egyptian contact in Cairo who might just be able to issue the necessary orders. But no, by the time that happened, if it could be made to happen, the ferry across the Suez Canal, assuming it was running, would be shut down.

Very well then: stay overnight at a nearby

The Dangerous Temptation Of a Portuguese President

By Kenneth Pottinger

LISBON — The good people of Portugal — a *bona fide* people — are self-consciously boycotting a documentary film of that name now showing in Lisbon.

The French and Brazilian press have raved about the film, which, in the words of its producer, Rui Simões, depicts the "collective national madness" that gripped Portugal for 19 months after the revolutionary return to democracy in 1974.

A cynical, anarchistic yet often poetic documentary of the revolution, the film portrays the antics of leading political figures and ordinary citizens perhaps too accurately for it to be popular at this short distance from those events.

Yet despite the poor houses the documentary has refocused attention on events that still exercise deep influence, conditioning intellectual responses among leftists, fueling angry emotion on the right and generally being held responsible for the misfortunes that now plague Portugal.

Constitutional Test

The political scene is becoming confused under the weak leadership of the ruling center-right coalition, the Democratic Alliance, and amid a deeply worrisome economic crisis and increasing polemics over the revision of the Marxist-oriented 1976 constitution. The changing of the constitution is turning into a battle between the governing coalition and influential circles around the moderately center-left president, Antonio Ramalho Eanes, who wants to avoid any fundamental alterations.

Basically, the government wants changes that will free the country of programmatic Marxist constraints and provide a frame-

work for a liberal society governed by civilian democrats rather than military officers. This was a primary plank in the government's campaign for last year's general elections, and the majority vote it obtained indicates the electorate's desire for a thorough change in the constitution. An attempt by extra-parliamentary means to prevent this would be an attack on the democratic will.

A multi-party parliamentary committee working on the new charter has reportedly reached a consensus on abolition of the military watchdog body, the Council of the Revolution, and on curbs on the president's ability to choose the chiefs of the armed forces and to dismiss governments.

Consensus is still being sought on other controversial aspects, such as opening up the heavily nationalized economy to the private sector and redefining the banking sector, now totally in the hands of the state.

The new constitution is supposed to be considered early this year. If it is approved by the required two-thirds majority, it will be adopted before April 25, the eighth anniversary of the revolution.

The government is dependent on the Socialists, the main opposition party, for support to getting the charter through Parliament, but a concerted effort is developing to block this. Influential leftist ideologues around the president, supported by the Communist Party, have reportedly sketched several alternatives for blocking the revision.

Head and Shoulders

The most extreme case, and for a number of reasons most unlikely, would be dismissal of the government by the president on the legitimate pretext of a loss of his confidence, and calling of new general elections. This solution would be costly, but it would technically prevent a revision since only the Parliament elected in 1980 has powers of constitutional revision.

A more likely scenario is energetic lobbying from presidential circles to encourage parliamentary defectors in the final vote and prevent the two-thirds majority necessary for the bill to pass.

If the constitution remains unchanged, the present administration would find it virtually impossible to carry out its promised reforms, and would probably resign, throwing the country into confusion, as no viable alternative exists.

Presidential lobbying on this issue would be a marked and dangerous shift in the behavior of Gen. Eanes, which has always been impeccable.

First elected in 1976, he today stands head and shoulders above the politicians in popularity, a symbol of unity and continuity in the struggling young democracy. However, as a leading historian, José António Saraiva, noted the other day, his prestige is being hurt by the maneuvering of groups close to him who want him to seize absolute presidential power, in the mode of France's General de Gaulle.

This would destroy the delicate balance built into Portugal's semi-presidential system, which was designed to avoid extremism through the interplay of presidential and parliamentary power.

The feeling that the country has a rudderless government is fueling the impetus toward presidential rule. An assertive administration that would make its personality felt would be the best defense against the drift to presidentialism, especially as the head of state has repeatedly indicated reluctance to play a Gaullist-style role.

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Jaruzelski the Savior, or Jaruzelski the Stooge?

By Vladislav Kraznov

The writer, a 1962 Soviet defector, is professor of Russian studies at the Monterey (Calif.) Institute of International Studies and a visiting scholar at the Hoover Institution, Stanford University.

By Jan Nowak

The writer is a national director of the Polish-American Congress.

STANFORD, Calif. — Appearances to the contrary, it is neither wise nor diplomatic to dismiss Gen. Wojciech Jaruzelski's Military Council for National Salvation as a puppet government. The West should try to avoid using such a term, lest it become a self-fulfilling prophecy.

In spite of the mass violation of human rights implicit in military rule, Poland's present government and the general himself deserve at least some benefit of the doubt. We should not take too lightly the reports that in 1970, when he was minister of defense, Jaruzelski was placed under house arrest for refusing to use troops against rioting workers. In 1976 he defied the government again by declaring that Polish troops would not fire on Polish workers.

This considered, there must be some compelling reasons for his coup d'état of Dec. 13. The Soviets may simply have told him to put his house in order — or else. In the circumstances, Jaruzelski could hardly be blamed for opting for "order," especially because the "else" was probably left menacingly unspecified.

The general's means were ruthless, but he has accomplished his primary objective: eliminating the challenge to the Communist system in Poland from the radical hothouses in Solidarity. Now he may feel ready to resume dialogue with the responsible moderate leaders of Solidarity.

Without necessarily lifting martial law, he could start negotiations in a spirit of nonviolence, tolerance, political prudence and mutual compromise. A first step should be the immediate release of Lech Walesa and other moderate leaders of Solidarity.

Solidarity would have to make major concessions, too. Even before the start of negotiations it would have to repudiate the revolutionary rhetoric and decisions of the few weeks that preceded the military takeover; reaffirm that it challenges neither the present political system nor Poland's place in the Warsaw Pact; and express willingness to declare a yearlong moratorium on strikes.

After that, negotiations between the government and Solidarity could start, with the church playing the role of mediator.

While the people of Poland would have to do their utmost to hold Jaruzelski to his promise not to return to the pre-1980 period, the Soviets probably would try to pressure him into reneging. That is where U.S. foreign policy initiatives might prove most effective. The economic leverage that the United States and its Western allies have is hardly sufficient to force Jaruzelski to lift martial law immediately, or to prevent direct Soviet intervention if he should fail. But it may be potent enough to assist the Poles in holding Jaruzelski to his promises.

The U.S. response to the crisis has been, so far, both prudent and restrained. President Reagan did

not break any agreement with the Polish government. He did not infringe on its rights. He suspended some of the privileges that Poland enjoyed in its dealings with the United States.

What the masses lacked was an inducement for Jaruzelski's government to take gradual steps to restore human rights. Also lacking was a promise to increase American economic help once those rights are restored.

There is a need to keep every



possible line of communication open, especially since the defection of Poland's ambassador to Washington. As a defector myself, I fully sympathize with the Polish defectors. But we should not forget that for every high Polish official who defects, there is another who stays, even though he may harbor similar convictions. Unless we keep all channels open, we may find even the most patriotic Poles so ensnared by their mighty neighbor that one could not tell them from real puppets.

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WASHINGTON — It is infinitely painful to watch as the free nations of Western Europe and some Americans display such apparent readiness to believe the Kremlin's orchestrated version of recent events in Poland.

According to this version, Gen. Jaruzelski's decision to declare war against the Polish people was triggered recently by excessive demands of Solidarity; and if the West does not support the military regime, this could lead to a takeover by Poland's more hard-line Communists.

But meticulous preparations for the military crackdown began nine months ago, soon after his appointment as premier gave Jaruzelski command of the civilian and military apparatus of the state.

And far from being a Polish patriot, Jaruzelski has a record of loyalty to Moscow. In 1947 he was decorated and promoted for his thoroughness with which he liquidated the remains of Poland's non-Communist partisans. After training at the Soviet Military Academy, he was appointed chief political commissar of the Polish armed forces. His elevation to his present position as head of the government, the party and the military would have been unthinkable without Soviet endorsement.

Reports from Poland of mistreatment of Solidarity leaders and other Poles arrested in Jaruzelski's crackdown are not exaggerated.

Solidarity remained restrained in the face of repeated acts of duplicity by the Communist leaders it was dealing with. There is considerable evidence that the food shortages and other economic setbacks, blamed by the government and its media on Solidarity, were encouraged and manipulated by the government. As Zdzislaw Ruzar, the former Polish ambassador to Japan, has testified after defect-

ing to the United States, the Polish government's strategy in the period before the crackdown was "the worse the better."

When Japan offered rice, Ruzar saw government to accept it. West Germany had a similar experience when it offered powdered milk for infants. Butter shipped by the United States was at first "disqualified" by Polish customs on the ground that the percentage of fat was insufficient for Polish regulations. As the lines for food grew longer, even the most available food supplies were held back — it reappeared in relative abundance as soon as martial law was declared.

It can be argued that Poland's increasing problems developed be-

The West can prop up Jaruzelski, or it can help the Poles resist.

cause not Solidarity but the government chose to go on strike. By refusing to negotiate seriously, by raising difficulties over food shipments, by refusing to take the most obvious steps to improve food distribution and stem the deterioration in the economy, the Polish government deliberately abdicated its responsibilities and encourage the malaise.

The West can prop up Jaruzelski with aid, or it can help Polish workers in their passive resistance by bringing increasing economic pressure on his regime.

Since 1956 the Soviet Union has reluctantly tolerated Polish unorthodoxy out of fear of a major confrontation with the Polish people. Should this fear prove to have been groundless, Moscow could decide to turn the clock back just to 1980 but to the early 1950s

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Eddie Adams



Bill Pope



Matthew Naythons



Eddie Adams



Matthew Naythons

The Children of War

A triumph of spirit.

"All wars, it is said, are fought for the benefit of future generations. This is a story of how those generations are responding. The responses vary, as you would expect. The five war zones represented here are quite different from each other, and the children in each place have their differences as well. Nor do those within a single war zone necessarily react in the same ways to the terrors around them. What all these children do have in common is a fierce will to survive—a will that sometimes takes the form of revenge, and at other times, of an abiding serenity.

But no matter how they assert themselves, there is an essential good-heartedness in almost all these children, a generosity of nature that transcends and diminishes anything they have suffered.

The question one asks is: When do these qualities disappear? Assume that the children of our modern wars are like those of any time. Why then does the institution of war continue to do so well?

Here are some thirty children from five warring nations, most of

them eager to make and keep the peace. If their nations were handed over to them right now, it would be pleasing to think that peace would follow. Of course, nothing will be handed over to them until they are ready; and by that time they will be grown up like us, and changed like us, who supposedly fight for their benefit. For the moment their power is purely potential. So they go about their business—riding bikes, playing ball, dreaming, doing what they're told, and watching with great care all that is being done for them."

Small histories that stun the mind, and images that will haunt the heart. This week TIME presents an issue whose cover story encompasses 23 pages, and a score of color photographs. It is one of the most unusual issues TIME has ever done—certainly, the most moving. Here, from Belfast, Israel, Lebanon, Cambodia, Viet Nam, are the nightmares and dreams of the world's scarred, yet hopeful, Children of War.

TIME

The news magazine for the internationally minded.

More Dollars and Diplomacy: Could They Have Made a Difference in Poland?

By Murray Marder

Washington Post Service

WASHINGTON — A record of confused and contradictory American responses to the 16-month crisis in Poland is buried in history's boldest attempt to liberalize Communist rule in Eastern Europe.

No official is prepared to open the books on that record now when the Reagan administration is performing the political rite of proclaiming a year of outstanding accomplishments.

But in private, some experts on Eastern Europe were hanging their heads over what they said was a pattern of lost opportunities in perhaps the most significant test that the United States, as leader of the West, had encountered in a decade.

The failure was conceptual and operational. By succumbing to its preoccupation with the U.S. economy, the Reagan administration was ill-equipped to cope with the extraordinary diplomatic-economic challenge abroad.

No coherent strategy for handling the Polish problem was devised that might through the use of economic assistance and diplomatic leverage, have forestalled the crackdown.

Instead, the United States relied on piecemeal aid infusions and occasional warnings to Moscow while chaos spread throughout Poland.

Problem Was Foreseen

Without any imaginative lead from the United States, the West floundered through the months of crisis until Poland's Solidarity movement and the Polish government collided over the preservation of Communist rule.

The Reagan administration is justified in asserting that it did foresee that the Polish crisis was unlikely to explode in accordance with the single-track contingency plan of the North Atlantic Treaty Organization — a di-

rect invasion by the Soviet Union and its Warsaw Pact allies.

In the judgment of some administration specialists, however, that foresight only compounded the failure of the West to agree on any other course of action before the curtain fell on Poland on Dec. 13.

At least by the middle of June, it was widely recognized within the State Department, the National Security Council and the CIA that it would require a heroic effort of Western leadership to salvage the Polish experiment.

The order of magnitude for such an effort needed to be comparable in concept, although not in actual outlay of U.S. funds, to the post-World War II Marshall Plan for the reconstruction of Western Europe.

At stake in Poland, a pivotal nation in the Soviet design in Europe, were consequences transcending those of the crushed Hungarian revolution of 1956 or Czechoslovakia's obliterated "Prague Spring" of 1968. For Poland had produced the first authentic, nationwide workers' revolt against orthodox Communist rule inside a system that claimed, above all, to represent the proletariat.

Accordingly, the challenge perceived by some specialists was that the Western response to Poland's turmoil could not be simply in terms of traditional foreign aid to a nation in economic distress.

Instead, it was argued by some specialists, the preservation of a unique measure of freedom in Poland could be seen as a security priority for the United States comparable to the administration's plans to spend billions of dollars on military hardware. With this criteria, activists maintained, the United States should measure what it stood to gain, or lose, on the same scale as MX missiles, B-1 bombers and Trident submarines.

The choices were said to have been expressed bluntly in the internal debate:

What would the Russians pay to get Poland back to where it was? Ten billion dollars? Twenty billion? If you formulate the question this way, the answer is compelling about what we should do.

But the answer obviously was not compelling enough.

Unpopular Proposal

It is unclear on the public record whether the questions were fully debated in the presence of President Reagan, or even before such influential advisers as Edwin Meese 3d, James A. Baker 3d, and Michael K. Deaver or Treasury Secretary Donald T. Regan and David A. Stockman, the budget director.

The idea that the United States, and especially a right-of-center Republican administration transfused by commitments to fiscal solvency, should consider spending anything on the order of billions of dollars "to prop up a failing Communist regime," as it was characterized, to quote an insider, literally was "laughed out of court."

"We simply never succeeded in engaging their attention," a specialist said. "State was arguing, begging, pleading," but "the problem was economic tunnel vision."

That was by no means the only problem, however. Throughout this period the administration was groping for its own center of gravity in the conduct of foreign affairs.

Secretary of State Alexander M. Haig Jr., the only major player in the debate equipped by experience to press the Polish issue, was a crippled advocate from the start. Mr. Haig was entangled in what he perceived as encircling bureaucratic guerrilla warfare in which he was everyone's target.

Sources said William J. Casey, the CIA director, "finally was brought around" on the significance of the Polish test in the totality of East-West competition. But Mr. Casey,

too, had his own problems of personal survival in the administration.

As for Defense Secretary Caspar W. Weinberger, he started out by hinting that a Soviet invasion of Poland could lead the United States to retaliate by selling weapons to China, an idea scorned by diplomats as a naive boomerang for U.S. strategy in both directions.

Mr. Weinberger, it is reported, later did agree with the importance of investing in the Polish experiment provided that the costs did not come out of the Defense Department budget, which was about the only place they could have come from.

In preparing for the Ottawa summit meeting in July, those who advocated a multibillion-dollar Western commitment to the Polish struggle to liberalize Communist rule tried in vain to put that on the agenda as a major issue. Treasury Secretary Regan said when the conference ended that while finance ministers did discuss Poland's economy and its huge foreign debt, "I want to stress that no conclusions were reached."

During the late summer, it was made clear at interdepartmental discussions in Washington, participants acknowledged, that the Treasury Department and the Office of Management and the Budget were "dead set against committing any new money in the budget [for Poland] beyond emergency food aid to get through the winter."

Some Aid Provided

What the Reagan administration was prepared to provide, and only then by internal and external prodding, was some millions of dollars, primarily grain for Poland's U.S.-inspired chicken-breeder industry, an important source of quick profits.

The American credits and grants of surplus food were not insignificant. But they could not dent a problem of Poland's dimen-

sions. Poland was disintegrating with a foreign debt approaching \$27 billion, a near-bankrupt economy and a nation aflame with demands for more freedom and greater benefits for workers.

Those who advocated a long-term Western consortium to salvage the Polish economy had to admit that no plan "could guarantee" a satisfactory outcome. There were no precedents. Never before had the capitalist West and the Communist East attempted parallel action to keep aloft a nation with one foot planted in each camp.

Any formula for Poland's grievous problems would have entailed a variety of assistance programs, advisers, long-term food deliveries, technical aid and foreign scrutiny of Poland's economy unlike any attempted in Eastern Europe.

Was it really in the interest of the West, asked many Western bankers beyond those trapped as overextended creditors of Poland, to rescue a mortally stricken Communist nation? The negative response was bluntly summed up by The Wall Street Journal:

"What we are witnessing here is the collapse of the Communist economic system, winding down from want of markets, efficiently allocating resources and adequate incentives for workers. It would make some sense to help Eastern Europe if Poland and the rest were developing the kind of economies that might ultimately pay off loans and contribute to world economic well-being. But there is no sign that they are thinking of abandoning Communist systems and moving toward free markets. So, a few years further on they'll only be further in the hole, and if we buy in now we'll be bailing out no one so much as the Kremlin."

The affirmative side of the debate never effectively broke through the public surface. Its participants hardly were "doves," starting with Mr. Haig, Undersecretary for Political

Affairs Walter J. Stoessel Jr., a former ambassador to Poland; and the senior members of the State Department's European Bureau, headed by Assistant Secretary Lawrence S. Eagleburger.

In the end, the action-advocates within the State Department, who are now assailed by journalistic critics for passivity, were driven to grasping at straws.

One straw was the expected visit of the Solidarity leader, Lech Walesa, to the United States in November to attend the New York convention of the AFL-CIO on the invitation of the union president, Lane Kirkland.

A White House meeting between Mr. Reagan and Mr. Walesa was anticipated in which, the action-advocates hoped, Mr. Walesa's presence would cause Mr. Reagan to endorse Solidarity's aspirations in an embrace that even the domestic policy advisers in the White House would find too politically tantalizing to ignore.

That creative vision of side-door entry to the administration's priorities died on the vine; Mr. Walesa could not leave Warsaw. He was embattled not only with the government of Poland, but also with a losing struggle to maintain his own moderate strategy for Solidarity, as Poland tumbled into a de facto more premeditated and violent than anything Mr. Walesa or his advisers imagined.

The drama in Poland continues. Nothing that remains of the original hopes for preserving Poland's fleeting gains in freedom by major help from the outside world, however, such as Poland's belated application to rejoin the International Monetary Fund, filed in mid-November, can fulfill the initial, daring dream. Perhaps it never could have been fulfilled, in any way in which the West could have contributed significantly. But no one will ever be certain of that, for the attempt to find out was never made.

Winnie Mandela, Wife of South African Nationalist, Undaunted by Years of Banishment and Restrictions

By Allister Sparks

Washington Post Service

BRANDFORD, South Africa — Winnie Mandela, who is married to the imprisoned leader of the African National Congress, Nelson Mandela, is undaunted by her continued banishment to this small racist town.

The government sent her here after the Soweto riots five years ago, and last week it extended the banishment order for another five years. It also extended an order prohibiting her from meeting with more than one person at a time, or from being quoted in South Africa, a ban first imposed 20 years ago.

Though the South African government has never been able to secure a major conviction against Mrs. Mandela, despite its extensive security laws, it has subjected her to a series of restrictions, arrests, detentions and harassments for nearly half her life.

Since she married Mr. Mandela in 1958, not a year has passed without her being arrested. And in those 24 years she and her husband have been together for fragmented spells totaling only four months. Otherwise one of them was in jail or he was underground.

Fears for Daughter

They were even split up by an arrest before they could reach their own wedding reception, and Mrs. Mandela still has her wedding cake, uncut, in a box at home.

For Mrs. Mandela, the banishment has been the harshest restriction. It cut her off from home, family and friends in Johannesburg and dumped her in this one-horse town 300 miles (480 kilometers) away in Orange Free State

province, the rural heartland of white Afrikaner conservatism, where blacks know their place and she could not even speak their local language.

She fears the experience may have permanently scarred her daughter Zizi, 20, who stayed with her for a time but is now in Swaziland.

But Mrs. Mandela is undaunted. At 47, she is a tall, regal figure. She dismissed the renewal of the banishment order with a shrug when I called on her on New Year's Eve; blows like that have been part of her life for so long they have lost their impact.

If anything it is the townsfolk of Brandford who are the more concerned, for life has not been quite the same since Mrs. Mandela arrived.

She has stirred things up. She has pointedly ignored all their separate entrances and segregation signs; she has kept whites waiting while she uses "their" public telephone at the post office; she has marched into the little dress shop and tried on dresses in the only change room they have.

Worst of all she has "spoiled" the local black community. They have grown up accepting subservience, and they were wide-eyed seeing this black woman defy the age-old racial conventions and get away with it. Now some whites complain that they, too, are getting "cheeky."

Brandford even had a few mini-strikes last year, something unheard of in such a community. One was at the bakery and another by the night soil scavengers, who downed buckets for more pay. And the young men are refusing to work for local farmers for 50 cents a day, as they had done for years.

"I have spoken to them," Mrs. Mandela admits with a smile. "They have been conscientized" — the vague African nationalist word meaning politicized.

No Confrontation

Strangely, there has never been a clash between Mrs. Mandela and the local whites. They resisted her coming. Protests to the government included one from the first president of the republic, Charles Robert Swart, who has a farm in the district and regarded her being sent there as a personal affront.

But once she arrived they did not confront her. Even when she broke the racial barriers, they kept away and did nothing. "They seemed petrified of me," said Mrs. Mandela. "There was this Communist come to live in their town. They just didn't know how to handle it."

I seem to symbolize some terrible terror to them, to bring out the deep fear the Afrikaners have of her extinction. I never realized how deeply embedded this fear was in the Afrikaner until I came here.

The whites themselves put it a little differently. "Yes, people were unhappy when she came here," says Jurie Erwee, the mayor who runs a hotel and liquor store in the town. "But we have got used to her. We accept her now."

"She is clean and well-behaved. She comes in here to buy things: champagne, Cizano, stuff like that. I've spoken to her, and she's well educated."

Piet de Waal, the only lawyer in town, is one of the few whites who has had any kind of relationship with her. Under law-society rules he was obliged to attend to her legal require-

ments if asked. He didn't much like the idea and paid a call on the police to assure them he was only doing his duty.

But over the five years he and his wife, Adele, have succumbed to Mrs. Mandela's charm and considerable personality.

"We have become quite friendly," he admitted. "I tell you, I've learnt a few things from knowing her, and I've come to understand her point of view on some matters."

This has led to gossip around town that Piet de Waal is a "kaffir boetie" ("nigger lover"). Once when Mrs. de Waal's father, who has a brown Volkswagen like Mrs. Mandela's, visited for a week with his car parked outside, the story spread that Mrs. Mandela had moved to with the De Waals.

Apart from the De Waals and two other families, Mrs. Mandela has no social contact in white Brandford. Her life is devoted to the black community in the "location," out of sight behind a small hill, where she lives in a three-room matchbox house, No. 802.

She was appalled by the malnutrition there, so started a gardening project. Now there are cabbages and beans growing around every matchbox house, and the community's diet has been transformed.

Constant Harassment

There was no clinic, so Mrs. Mandela started a first aid and baby care advice service. She is a qualified medical social worker. She has gathered all the location's delinquent teenagers into her care. She visits them regularly, has provided about 30 with books and makes sure they go to school.

The harassment has been constant. The banishment order restricts Mrs. Mandela to her



Winnie Mandela at a demonstration in Johannesburg in 1962.

house at night and on weekends, and prohibits her from receiving anyone inside the house other than her doctor and her lawyer.

To enforce this the police at first kept a 24-hour watch from a car parked outside; later they withdrew to the hill and watched through binoculars.

Mrs. Mandela is a devout member of the Anglican church, but there is not one in Brandford. Each week either Father John Rustin or the bishop of Bloemfontein, the Rt. Rev. Frederick Amore, motors 40 miles to Brandford to celebrate Holy Communion with her — in the road outside No. 802.

Otherwise, all Mrs. Mandela has to look forward to are the periodic visits to her husband in prison on Robben Island, off Cape Town.

She is allowed to see him twice a month for 45 minutes. There is a glass panel between them and they talk through a monitored telephone connection.

Because of the cost of flying — the authorities will not allow her to go by train — she cannot go that often.

"I look forward to the visits so much," she said. "But the trip back is awful. I feel so empty. Look, I'm confident he will come off the island one day. I have no doubt about that. But I can't help thinking of all these years of our lives that are going down the drain — our best years."

"Nelson is 63 now and I am like a young girl, still longing for the experience of married life."

Pinochet's Chile Intensifies Policy of Intimidation as a System of Government

By Kenneth Freed

Los Angeles Times Service

SANTIAGO — The world's great cities all have a symbol that reflects their unique character. Los Angeles has the movies, New York its Manhattan skyline. In Santiago, it is the submachine gun.

Walk along the shopping malls and you see them. Get out of a car in the wealthy neighborhood called Providencia and you see them.

Military police officers in heavy, olive-drab uniforms seem to be everywhere, cradling submachine guns, often with their fingers resting on the trigger.

The guns are the symbol of the politics of force used by the rightist military regime of Gen. Augusto Pinochet, the repression used to govern Chile for more than eight years.

There are other symbols. There are the barricades that go up late every night to close the streets against motor traffic as part of a limited curfew.

And then there are the actions of the regime — the censorship of the television networks, for example, and the closing of the magazine AFSI for publishing articles held to be detrimental to national security.

Emergency Powers

Beyond symbolism, the nature of the Pinochet government has been displayed in the detention last year of more than 600 people without warrant or trial under emergency powers.

According to members of the Lawyers Association for Human Rights, a group associated with the Roman Catholic Church, last year was the worst period for political repression in Chile since 1978.

"The hardest times were from 1973 to 1978," a member said. Gen. Pinochet took power through a bloody coup in 1973. In the following five years, more than 2,500 people died at the hands of government forces and 600 disappeared, human rights organizations have charged.

There have been, but over the last year or two, a pattern has developed, the human rights monitors say, that is as alarming as the initial stages of Gen. Pinochet's rule.

What concerns them is a series of deaths that the government says resulted from battles between armed leftists and security forces. However, the human rights lawyers say there are convincing signs that the deaths were actually executions.

"They are all similar cases in which a death is made to appear to be the result of a fight, which never took place," an attorney said. Another, Carlos Lopez Dawson, president



Gen. Augusto Pinochet

of the human rights association, described the deaths as "a policy of intimidation." "These are not clashes but executions," he said.

Yet another lawyer said, "In the past, they made someone disappear, but now they just kill them."

The shift in tactics is attributed by human rights advocates to a government desire to avoid the appearance of abusing human and civil rights.

If someone disappears, it is noted the world over by various human rights groups. But if a person is killed by government forces said to be preventing an act of terrorism, then the death supposedly is the result of the legitimate use of force.

There have been at least 13 deaths in the last

18 months, four of them in November, that the lawyers say fall into the suspicious category. All 13 involved alleged members of the Movement of the Revolutionary Left — MIR, as it is known — who had returned from exile.

Marxist Group

The MIR is a Marxist organization reportedly financed by Cuba and other Communist nations and known to use violence. Its membership is estimated at 100 to 500 people, some of whom are said to have been trained in Cuba.

All 13 of the MIR people killed were presumably in Chile secretly, but there is evidence that their presence was known to the government. Relatives say that the 13 had been under surveillance by security agents.

In the latest incident, the government said, agents came upon the men in a car outside the home of Foreign Minister René Rojas in the predawn hours of the curfew.

Government sources said that the four were planning to assassinate Mr. Rojas. Four days earlier, there had been an attempt to kill the chief justice of the Supreme Court.

One of the four at the foreign minister's house was reportedly killed by gunfire, while the other three burned to death in the car, their bodies charred beyond recognition.

Deaths Questioned

Some observers suspect that the four were killed elsewhere and that their bodies were taken to the Rojas home. With the curfew, they say, it is virtually impossible to drive the streets of Santiago after 2 a.m. without being stopped and searched.

The human rights lawyers say that it is at least unlikely that four heavily armed men could have got anywhere near a government official's home without being stopped.

It is reasonable to conclude, one source said, "that they were taken there and killed or were set up for execution."

Authorities said that eight of the nine others were killed in clashes with security forces. The ninth, they said, was murdered by the MIR for turning informant.

Human rights lawyers and relatives challenge the government's account. For example, Ruben Ortiz Jopia was said to have been killed in a gun battle with agents of CNL, the National Information Center, as the secret police is called. But his father says that he has medical reports indicating that Mr. Ortiz Jopia was beaten to death.

As one human rights lawyer put it in an interview, "It is easier to kill than to arrest and try someone."

If someone disappears, it is noted the world over ... But if a person is killed by government forces said to be preventing an act of terrorism, then the death supposedly is the result of the legitimate use of force.

The government's revolutionary opponents are not the only victims.

One of the human rights lawyers said that people whom he assumes to be secret police agents entered his house when he was away and killed his cats as a warning.

The intimidation is also carried out in an open and official way. In an announcement last summer, Gen. Pinochet said that his government will "prevent any activity that attempts to revive or form political parties or movements" that oppose his regime.

Then, in September, he ordered the exile of four non-leftist politicians, including Jaime Castillo, a Christian Democrat who headed Chile's Human Rights Commission. He refused to allow one of the four to return temporarily for the funeral of his mother.

All four, along with other politicians exiled earlier, were charged with collaborating indirectly with "international Communism."

No Proof of Connection

There is no proof of such a connection, although the Pinochet regime has come under attack from anti-government terrorists. Last year an army general was killed by terrorists, and there was the incident last month in which the chief justice of the Supreme Court was wounded.

The MIR has claimed responsibility for a series of bombings, sabotage of electric lines and bank robberies.

But human rights advocates and diplomatic sources discount these actions as not very serious, pointing out that the MIR is relatively small and that Gen. Pinochet's security forces are effective.

A European diplomat said, "If I were Pinochet, I would simply arrest and try the members of the MIR. They are terrorists and would get no sympathy from the Chilean people. And it would improve his image."

There is no sign that Gen. Pinochet will heed such advice. Amnesty International, the London-based human rights organization, recently charged Chile with stepping up violations, not reducing them. It said that Gen. Pinochet is engaged in systematic repression, including the establishment of torture centers where people have been killed.

If there has been any relaxation, it is in the practice of what is called "relegation," the sending of opponents, particularly students, to isolated parts of the country.

Human rights groups say that 60 in 70 persons were sent into internal exile last year, either to the desert north or the icebound south. In past years the number was higher.

Human rights lawyers said there is a more subtle way of punishing young people. "It is hard to prove, but I am convinced," one said, "that the government is forcing universities to expel students who show signs of dissent."

Government officials deny this, but a university official acknowledged that students considered troublesome have been dismissed at the request of the secret police.

5,000 Picked Up

The government also intimidates opponents by means of detention. Under the state of emergency, the government can pick up and hold anyone it wants to without a charge or warrant.

A human rights lawyer estimated that three or four persons a day are detained under these provisions and that since 1978, about 5,000 people have been picked up.

The lawyers said that the state of emergency allows the detainees to see attorneys and that judges can order their release if they are not convinced that the detainees are being held for just cause.

However, the lawyers added, security officials often hide the prisoners or simply refuse to obey the law.

"They make it impossible to form a defense," a lawyer said. "There have even been cases where security agents have refused to follow direct orders from the minister of interior to allow a detainee to see an attorney."

Ranking members of Gen. Pinochet's regime have defended this sort of treatment. Adm. Tobo Marin Castro, a member of the governing junta, has said that "Communists have no human rights."

Despite the repression, there is no sign of widespread public discontent with Gen. Pinochet.

Dispirited Opposition

Opposition political leaders, banned from organized activity, are dispirited. They are isolated in the public mind with the stagnation and bickering that led to the election in 1970 of Marxist President Salvador Allende and the chaos that led to the 1973 coup in which he was killed.

"The strongest thing going for Pinochet," a diplomat said, "is the memories people have of the mess under the Christian Democrats in the late 1960s and Allende. They don't want to go back to that."

A poll taken last year by an independent and respected survey is reported to have given Gen. Pinochet a 72-percent approval rating. The results were not made public, reportedly because the pollster was afraid that he would be accused by international opponents of Gen. Pinochet of rigging the outcome.

Gen. Pinochet seems to have gained the support of Chile's large middle class with an economic policy that has lowered inflation to less than 10 percent, while promoting economic growth under a free-market system.

One thing that has not seemed to have seriously affected Gen. Pinochet's policies is international pressure. He simply ignored former President Jimmy Carter's public criticism of Chile's human rights practices.

And human rights advocates say that it is no coincidence that repression has increased in the year since President Reagan succeeded Mr. Carter and moved to improve relations between Washington and Santiago.

They point particularly to the exile of Mr. Castillo, the rights commission leader, which almost coincided with a visit to Chile by the U.S. ambassador to the United Nations, Jeanne J. Kirkpatrick.

Given Gen. Pinochet's economic successes, the reduction of tension with the United States, the futile efforts of opposing politicians and the repression, Gen. Pinochet's critics see no chance of a change in Chile.

"Pinochet cries out against his opposition as Communists and anarchists," a lawyer said. "But they [the government] are the anarchists. This is not a government of law, but of terror."

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Tables include the nationwide prices up to the closing on Wall Street.

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Gold Options (prices in \$/oz.)			
Prices	Feb.	May	Aug.

Market

(Figures in sterling per metric ton)
(Silver in pence per troy ounce)

Apr	413.00	414.30	410.00	411.00	-
Jun	422.00	425.40	418.50	420.00	-
Aug	430.00	431.00	429.30	429.30	-
Oct	438.00	439.00	430.00	430.00	-

27%	11%	PolPir		10	161
18%	11%	PolvN	1.38	2.8	9
20%	15%	PolvSh	n.20	1.3	13
5%	5%	PolvCh	n.14	2.4	6

22	13%	+	14	38%	28	SwFIR	ph
15	10	-	14	28%	14%	SwFors	
14	16	-	14	10%	7%	SwiGas	
51%	43%			18%	15%	SwiEas	

7.3	1	30%	30%	30%	30%
3.5	145	15%	15%	15%	15%
13.10	37	8%	8%	8%	8%
2.9	60	14	15%	15%	15%

1% Valera	.32	1.4	6	1293	23%	21%
2% Valeyin	.40	4.1	6	101	9%	9%
4% VanDm	1.12	5.8	7	7	14%	14%
4% Varen	.80	5.10	283	1734	16%	16%

European Options Exchange
Tel. 262721 AMSTERDAM Telex 14596

Mar	.17500
Jun	.17400
Prev. sales 4.	
Prev. day's open Int 54.	

Aluminum: spot	582.00	583.00	587.00	58
3 months	604.50	607.00	611.50	61
Nickel: spot	2,875.00	2,905.00	2,870.00	2,88

Prinichlor 64-38 38 1/2 yd	0.78
MORTALS	
Steel offlets (PMLJ, ton	420.00

39%	27	PepsiCo	1.44	4.8 10	1397
34%	21%	PerkEl	.00	1.9 15	513
28%	11%	Prmion	1.27e	10.	537
54%	14%	Prmion	1.27e	10.	537

35%	36% + 1/2
25%	26 1/2% — 3/4
13 1/2%	12 — 1/2
10 1/2%	10 1/2% — 1/2

Special or extra dividends or pay-
ments based on the last quarterly or

7 1/4 Wachov	1.02	4.3	7	17	25 1/4	23
5 1/4 Wach R1		12	181		7 1/4	7 1/4
1 1/4 Weckhf	.40b	2.1	10	3	75	12 3/4

Ulcids Eurofinance N V

(Incorporated in the Netherlands with limited liability)

Guaranteed on a subordinated basis as to payment of principal and interest by

Guaranteed on a subordinated basis as to payment of principal and interest by

[illegible]

2s	17	PlanG	1.76	10	6	18
4s	24	Pier 1		6		75
45s	34	Pilsbry	2.24	5.8	7	316
33s	21	Pioneer	1	5.8	10	436

174 1/2	174 1/2	6 1/2	174 1/2	6 1/2	174 1/2	6 1/2
4	4 1/2	5 1/2	4	4 1/2	5 1/2	4
28	28 1/2	36	28	28 1/2	36	28
28 1/2	28 1/2	36	28 1/2	28 1/2	36	28 1/2

dividend amounting to 28 per cent or
its high-low range and dividend are

% WUnif		5	11	51%	31%
% WUnion f.40	-4.7	13	122	37%	32%
% WNUO d.f.40	6.5		6	72%	78%
WUN dof1.18	15.		40	7%	7%

СПІВАНК+

384

4. Zurnind	1.20	49.7	87	24%	24%	24%
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Hitachi Gets Jump In 256K-Chip Race

By Paul Richter
Los Angeles Times Service
LOS ANGELES — Hitachi apparently will be the first electronics firm to mass-produce the next generation of computer memory chip — a development that will give the giant Japanese firm an important edge over competitors.

U.S. officials of the Tokyo-based company declined Tuesday to discuss Hitachi's production schedule, but industry analysts confirmed a recent report in a Japanese publication that the company has presented prototype models of its so-called 256K RAM chip to potential U.S. customers.

U.S. officials of the Tokyo-based company declined Tuesday to discuss Hitachi's production schedule, but industry analysts confirmed a recent report in a Japanese publication that the company has presented prototype models of its so-called 256K RAM chip to potential U.S. customers.

Industry observers had been expecting that 256K RAM chips would not be available in quantity until mid-1985 or later.

RAM stands for random-access memory. The components can store more than 256,000 bits of information on a single finger-sized silicon chip — four times the capacity of the most sophisticated chip now on the market.

It has potential applications in a broad range of devices, from oil-well drilling gear to personal computers. Its introduction will mark an important advance in making computers more compact, powerful and less expensive, analysts say.

"It will give a whole extra increment of sophistication in memory," said Lane Mason, an analyst with Dataquest Inc., a California-based research consulting firm. He said the new chip is likely to bring substantial reductions in the price of personal computers, for example, because such components now account for 10 to 15 percent of their cost.

Analysts say it will also signal an important setback for U.S. semiconductor makers, who have seen their share of the memory-component market steadily eroded by Japanese competitors, including Hitachi, which now makes a full range of computer components.

Hitachi's plans were outlined in a recent article in the Japan Economic Journal, a well-regarded economic affairs newsletter.

The story said the company plans to distribute samples of the components this fall. In the spring of 1983, it will increase production at its factory in western Tokyo to tens of thousands of the chips. Production will reach hundreds of thousands of units by early 1984, the newsletter said.

The company showed plans for the new component last fall at an international computer conference

held in Tokyo, said John Shea, an analyst with the Technology Analysis Group of San Jose, Calif.

Mr. Mason said Mosek Corp. of Carrollton, Tex., and three Japanese firms, Nippon Electric, Fujitsu and Oki Electric, have disclosed that they are trying to develop a 256K chip of their own. One other U.S. firm, which he declined to identify, is working on a similar chip, he said.

International Business Machines, the world's largest computer maker, is also working on such a chip, but IBM officials have hinted that development may be at least three years off, analysts say.

Semiconductor makers have raced to increase the information-storage capacity of memory chips since the early 1970s, when the largest-selling memory chip was the 1K RAM, which stored 1,024 bits of information.

The 1K RAM was succeeded over the years by chips that held more than 4,000, 16,000 and 64,000 bits of information. The 16,000-datum chip, the 16K, is still the largest-selling memory component, but it is being overtaken rapidly in sales by the 64K chip.

Adding credibility to Hitachi's mass-production plans for the new chip is the firm's domination of the 64K memory chip market, analysts say.

Last year, Hitachi shipped 40 percent of the 12 million 64K chips sold worldwide. The second-largest market share is held by Fujitsu, which has 20 percent of worldwide sales, according to Dataquest. The largest U.S. competitor is Motorola, with just under 20 percent.

U.S. semiconductor makers together hold only 30.5 percent of the 64K-chip market, compared to a 69.5-percent share by the Japanese, according to the consultant.

Mr. Mason said Hitachi, a diversified chemical and electronics company, has the respect of competitors and "good momentum" because of its position in the 64K-chip market.

He said he believes Hitachi will also find a welcome market for the component. Manufacturers of some devices are almost obliged to use the highest-density memory chip available, because their gear must be compact.

Computerized instruments used to navigate aircraft and spacecraft are among such devices, he said, as are the instruments used in oil-well-drilling operations. Mr. Mason said the new high-density chip would also be used in electronic office equipment.

Another analyst, however, said he is skeptical that Hitachi will turn out the chip in quantity before 1985. "We view their plans as a claim rather than as a proven sort of capability," said Bob Kitz, an analyst with Coösic Concepts Inc., a technology consulting firm based in Menlo Park, Calif.

The Kaufman Mystique Grows

When Salomon Brothers' Economist Sneezes
Traders on Wall Street Stand to Catch a Cold

By Karen W. Arenson

New York Times Service

NEW YORK — Almost from the day two decades ago when he started publishing his weekly Comments on Credit, Henry Kaufman has had an attentive following. But to be an analyst on Wall Street and to have a following is not all that unusual.

Indeed, it is only in recent years that Mr. Kaufman, the chief economist at Salomon Brothers Inc., has taken on a kind of aura, where his market analyses can be expected to send tremors through the stock and bond markets. It does not happen every time he speaks, but it happens often enough to make it more than a coincidence.

Such was the case Tuesday, when the closely watched Dow Jones industrial average plunged 17.22 points, following Mr. Kaufman's latest projections. He told clients that he foresees a "big-of-war" between business and the federal government shaping up later this year, resulting in sharply higher interest rates.

Mr. Kaufman is hardly the first economist to predict problems stemming from the ballooning federal budget deficit, but the markets had not reacted with such vehemence to deficit forecasts until he spoke.

Big Market Moves

The market response again raised the questions of how it was that Mr. Kaufman commands the power he does and, further, of what it meant for one economist to have such influence. Only last spring, prominent members of the Reagan administration chastised Mr. Kaufman for being bogged down in traditional economics and not understanding the new supply-side approach they were offering. It was as though he were personally responsible for the financial markets' deep-seated skepticism toward the Reagan program.

As prices ebb and flow, it is not unusual for some event to set off a big market move. Sometimes it is a declaration of war or, less extreme, an announcement by the Federal Reserve. At other times, it may simply be something that someone has said, be it the scholarly Mr. Kaufman or the flamboyant Joseph Granville, a forecaster who has also

been credited — or blamed — for touching off large moves in markets in recent years.

"Since markets reflect what people think will happen in the future, there is a good deal of uncertainty," noted Burton G. Malkiel, dean of the School of Organization and Management at Yale University, who has written extensively on the theory of stock market prices.

"This means that it is very easy to have people swinging from optimism one moment to pessimism the next," he said. "And with this kind of volatility, it is not terribly surprising that a Kaufman or a Granville can move markets."

But where Mr. Granville is criticized for lacking substance, Mr. Kaufman is widely applauded for his research. "Henry's method of forecasting is to look at the potential flows of funds through the economy to see where there will be pressure points," Mr. Malkiel said. "So when he says something, there is a lot of research behind it."

But it is more than research that makes Mr. Kaufman stand out. Forecasting is a treacherous business, and the Salomon Brothers economist has a good record.

"He has practically always been a bear," said Otto Eckstein of Data Resources and Harvard University. "And since the market has deteriorated for almost 20 years, he looks good."

"Both Henry and Al Wojniolower have projected that the financial system will be getting into more and more trouble, and it has," Mr. Eckstein added. Like Mr. Kaufman, Mr. Wojniolower, chief economist at the First Boston Corp., takes a pessimistic view.

Although Mr. Kaufman has made a reputation for being on the money in forecasting such trends as the rise in short-term interest rates to record heights, he has not been uniquely prescient. Mr. Wojniolower has focused on some of the same themes as Mr. Kaufman, and made some of the same forecasts. But Mr. Kaufman and his firm seem to have been capitalized on his growing prominence, which Wall Street people say has brought not only greater prestige but also more business to Salomon.

Mr. Kaufman, a member of Salomon's executive committee, makes himself judiciously



Henry Kaufman

available to counsel clients. In recent years, the firm has become more systematic about preparing and distributing copies of his remarks. Typically, Salomon Brothers clients were briefed on Mr. Kaufman's latest study Monday afternoon; a general public dissemination was delayed until Tuesday morning.

Somewhere along the way, all of these factors helped transform Mr. Kaufman from an economist with a respected following into something approaching a cult figure. To be sure, many market participants treat his forecasts with immense respect. But beyond that, many others on Wall Street pay as much attention to guessing how the market will react to Mr. Kaufman's statements as they do to the statements themselves.

As Alan Greenspan, an economist and an informal adviser to the Reagan White House who heads his own consulting firm, put it, "Henry has a great many followers, but there are also a number of people who believe he has a great number of followers."

For his part, Mr. Kaufman said he pays no heed to whether he will create a stir.

"I never know what statements will have market impact and which ones will not," he said. "The real question for me is whether I see a trend in the making. The question has to be what will be, not what should be. If you mix those two things up, you'll have a lot of errors in your projections."

Firms in U.S., Libya Agree to Compensate Exxon

Britain Plan
Data Link

By Douglas Martin

New York Times Service

NEW YORK — Libya has agreed to compensate Exxon for the Libyan assets of the oil company abandoned in November, Exxon has announced.

The move, analysts said, suggested a new moderation on the part of the government of Col. Moammar Qadhafi.

When Exxon announced plans to withdraw from the country — considered highly unusual in an industry that has been reluctant to sacrifice any secure source of oil — Libya said Exxon's action did not conform with Libya's oil laws and was "tantamount to failure to carry out legal commitments and a unilateral breach of contract."

That attitude led some analysts to predict that Exxon would

receive no compensation for its properties, which include oil and gas reserves, producing wells, pipelines and a plant to refine natural gas for shipment to Europe.

'Lower Than Book Value'

Exxon declined to disclose the amount of compensation it would receive, except to say it was "something lower than book value," an amount it also declined to reveal.

"This may represent a more civil, businesslike attitude on the part of the Libyan government," said John H. Lister, executive director of the Petroleum Industry Research Foundation.

A number of analysts said Libya's willingness to pay compensation to a company after an action it vehemently condemned was reflective of a more conciliatory approach by the Libyans. They recently cut their oil price by 50

cents to \$12.00 a barrel, depending on the grade, and have privately indicated a willingness to make further concessions if necessary.

"One could come to the conclusion they're running a little bit scared," said Henry M. Schuler, energy analyst for the accounting firm of Deloitte Haskins & Sells who previously served in Tripoli as a State Department official and as a consultant to U.S. oil companies.

Exxon said that the accord would be retroactive to Dec. 1. A spokesman, James Morakis, said Tuesday that an arm of the Libyan National Oil Corp., Sirco Oil, would operate the Exxon properties. "Sirco assumed responsibility for December for all of Exxon's outstanding agreements with contractors and suppliers related to oil and gas operations," he added.

Exxon's withdrawal from Libya nearly two months ago puzzled energy analysts as well as officials of other oil companies because oil companies seldom abandon sources of crude oil needed to run their refineries, although they continually dispose of refineries, marketing and petrochemical operations.

There has been a variety of speculation about Exxon's action, which was not matched by the other U.S. companies active in Libya. These include Conoco, Marathon, Amerasia Hess, Occidental Petroleum and Mobil.

Responding to Reagan
All of these companies, however, have reacted affirmatively to a call by President Reagan to remove employees and their dependents choosing to leave Libya at a time of tension between Washington and Tripoli.

Analysts have suggested that the overwhelming reason for Exxon's departure was dissatisfaction with Tripoli's intransigence about lowering its price enough to make it profitable to produce Libyan oil. Libya's prices have been the highest in the Organization of Petroleum Exporting Countries, ranging up to \$41 a barrel at the peak last year.

These high prices have led Western companies to cut Libyan production to 600,000 barrels a day from about 1.7 million a year ago. Exxon has so much oil elsewhere that the loss of a single country's production does not have nearly so severe an impact as it would on a smaller company.

[Iran has sent a 10-man team of oil specialists to Libya to determine what type of Iranian volunteers are needed to replace American oil personnel, United Press International said Wednesday.]

World Bank Says New Loans Will Carry Charge of 1 1/2%

By Hobart Rowen

Washington Post Service

WASHINGTON — To help ease a financial squeeze, the World Bank announced Tuesday that it will impose a one-time fee of 1 1/2 percent on the face value of all new loans, in addition to interest rates, which currently are 11.6 percent. The charge is necessary, a bank spokesman said, "to send a signal to the markets that the bank is and intends to continue to be a sound institution."

"Adverse" impacts arising from higher interest charges and foreign exchange costs caused the bank to take steps that would maintain its top credit rating in the markets, the spokesman said.

Under the new rate plan, a borrower has the option of paying the fee "up front" or adding it to the rest of the loan. The new fee is in addition to the existing "commitment fee" of 1/4 percent on World Bank loans prior to actual disbursement.

At the same time, the bank's soft-loan affiliate, the International Development Association, moved to cover more of the costs it incurs in making its interest-free, 50-year loans to the poorest of its member countries.

Presently, IDA charges a 3/4-per-

cent fee on the disbursed portion of its credits. That will remain unchanged. But now IDA also will charge 1/4 percent on the undisbursed portion of credit as soon as the funds are committed.

These added charges reflect a new mood of austerity at the bank and IDA. The United States, the bank's biggest contributor over the years, has been trying to cut back its proportional share. Under the Reagan administration, funds pledged to IDA have been stretched out, leading to the prospect, according to World Bank President A.W. Hansen, that the character of the IDA lending system will soon have to undergo a major alteration.

According to recently published reports, the U.S. Treasury will publish a recommendation on Jan. 20 that the U.S. annual contribution to IDA be reduced to \$750 million a year by 1983. IDA is scheduled to average close to \$1.1 billion for the three fiscal years ending 1983 if Congress passes the necessary appropriation bills.

Since other nations' contributions are keyed to the U.S. share, such a large cut would slash the total of concessional IDA funds available to the poor and require them to seek the balance at higher, market-related rates. Such a step, as well as the additional IDA fees announced Tuesday, are expected to be bitterly resisted by the Third World nations.

Belgium to Trim Its Discount Rate

Reuters

BRUSSELS — Belgium's key discount rate will be cut to 14 percent from 15 percent effective Thursday, the Belgian national bank said Wednesday. The move eases emergency measures imposed last month to defend the Belgian franc against speculators.

Bankers said Wednesday that investors' worries about the stability of the franc had been eased somewhat by government plans to cut public spending, but there were still prospects of a devaluation later in the year.

Meanwhile, Belgium's unemployment figure, based on the number of persons drawing unemployment benefits, rose to a record 423,847 or 10.2 percent of the working population in December according to the national employment office Wednesday.

"SBS is pioneering the introduction of small-high digital satellite business systems in the U.S. and, our agreement with them will secure for BTI's multinational customers the service advantages of direct links with their U.S. establishments connected to the SBS system there," said Jim Hodgson, managing director of British Telecom International.

In requesting authority to enter the international field, SBS said the services would improve the U.S. competitive position in foreign markets by cutting travel costs and increasing productivity.

The company said they would use existing Hilsat satellites for the international services. SBS also requested FCC approval for plans to use Comsat facilities in West Virginia and Maine as gateways for the international transmissions.

BUSINESS NEWS BRIEFS

China Reportedly Close to Taking Drilling Bids

United Press International

PEKING — China will soon begin accepting bids from foreign oil companies for drilling in the South China and Yellow seas, it was reported here Wednesday.

The China Daily, an English-language sister publication to the People's Daily, said it had learned from the Petroleum Ministry that bidding will begin as soon as the State Council, China's equivalent of a Cabinet, issues its approval.

Oil firms from the United States, Britain, France, Japan and Italy last year completed seismic surveys of the areas.

\$376-Million Offer Is Made for Cannon Mills

New York Times Service

NEW YORK — David H. Murdock, a Los Angeles real estate developer and investor, has made a \$376-million cash offer for Cannon Mills, the seventh-largest publicly held U.S. textile manufacturer.

The offer was announced Tuesday that it had received an unsolicited acquisition offer, for \$40 a share, from Pacific Holding, a Murdock-owned company that holds about 5 percent of Cannon's shares. Cannon referred the proposal to its financial advisers.

Analysts said they did not expect Cannon to accept the offer, which is conditional upon a minimum of 62 percent of Cannon's 9.4 million shares being tendered. The offer also stipulated that Cannon's board of directors must approve the offer. Last February, Cannon rejected a similar offer from an investor group led by Harold Gense, former chairman of International Telephone and Telegraph.

Goodrich Makes Contested Plastics Purchase

New York Times Service

NEW YORK — B.F. Goodrich has purchased Diamond Shamrock Corp.'s plastics subsidiary, the two firms have announced. The Federal Trade Commission, which is challenging the purchase on antitrust grounds, estimated the purchase price at \$131 million; Goodrich would not confirm the figure.

The purchase, announced late Tuesday, completes an agreement in principle announced Sept. 30, 1981. Included in the transaction are a vinyl chloride monomer plant that produces 1 billion pounds a year, and a polyvinyl chloride plant with an output of 260 million pounds a year. Both plants are in Texas.

The FTC contended that the acquisition of Diamond Shamrock Plastics could reduce competition in the production of the two materials used to make plastics. Goodrich is the largest U.S. producer of polyvinyl chloride. Goodrich and Diamond Shamrock said they would "contest the FTC complaint vigorously."

Rolls-Royce Motors Sees Exports Rising 23%

Reuters

LONDON — Rolls-Royce Motors Holdings expects 1982 exports of Rolls-Royce and Bentley cars and parts to reach \$95 million, up 23 percent from last year's \$77 million, a company spokesman said Wednesday.

Last year's exports, accounting for more than 60 percent of output, were up 26 percent in value as all overseas markets improved, the spokesman said. Export sales, excluding parts, amounted to \$43 million in North America, \$20 million in Europe and the Middle East, and \$6 million in the Far East.

Carlsberg to Provide Experts to China Brewery

The Associated Press

COPENHAGEN — The United Breweries group, which makes Carlsberg and Tuborg, has announced the signing of a contract for the supply of technical expertise to the Guangzhou Brewery of China.

The contract calls for Carlsberg to assign specialists to the Chinese brewery as consultants in production, equipment and quality control. Guangzhou technicians also are to be trained at the United Breweries plant in Hong Kong.

China recently announced plans to quadruple domestic beer production over the next decade.

Last Hour Rally Stems Decline in N.Y. Prices

From Agency Dispatches

NEW YORK — Uncertainty over the direction of interest rates left New York stock prices lower Wednesday despite a rally late in the day.

The Dow Jones industrial average had dropped almost nine points by early afternoon in a continuation of Tuesday's 17.22 point rout, but then picked up in the final hour of trading to close off 4.28 points at 861.02. Declines, however, were significantly higher than advances by a margin of 1040 to 470 and volume rose to some 51 million shares from 47.51 million Tuesday.

Analysts attributed the late strength to technical factors such as bargain hunting oodling that buyers seemed to reenter the market at the 860 level on the Dow Jones average.

The Bank of New York said the recession could reduce corporate borrowing, paving the way for lower short-term interest rates in the first quarter despite large Treasury

needs. But investors appeared to be skeptical.

The market also was being hurt by prospects fourth-quarter earnings reports to be released this month will be dismal.

Credit markets were lower at midsession ahead of an auction of \$3.25 billion of seven-year notes, dealers said.

They said there was some concern over the outcome of the auction because of uncertainty about how the federal funds rate will behave once the apparent technical distortions in the funds market begin to abate.

Dealers said it appeared the auction would result in an average yield of around 14.62 percent.

As many dealers expected the build up of reserves in the system over the past few days prompted the New York Federal Reserve Bank to drain reserves. At the time, federal funds were at 11 1/2 percent.

In the London currency trading, the dollar closed mostly weaker but recovered from its early afternoon lows, dealers said.

They said the dollar weakened because of a lower federal funds rate and lower eurodollar deposit rates.

The dollar finished at 2.2470 Deutsche marks, compared with 2.2610 at the close Tuesday, and at 1.8095 Swiss francs, against 1.8120. Sterling rose to \$1.9240 from Tuesday's close of 1.9130.

In corporate news, Borg-Warner said from Chicago that its directors authorized the purchase of up to one million shares of its common on the open market for use in employee benefit and incentive plans and other corporate purposes.

The company, which had about 43 million shares outstanding on Dec. 31, said the new authorization is expected to be sufficient to meet its needs at least through 1982.

From Palo Alto, Calif., Syntex Corp. said it formed a 50-50 joint venture with E. Merck, a West German chemical and pharmaceutical company, to market products of Syntex's diagnostic subsidiary, Syva, in several European countries.

On the trading floor, oils and related issues were under pressure. Union Oil of California was active after a block of 168,900 shares at 34. Amerasia Hess had one of 125,000 shares and Schlumberger had a block of 120,000 shares at 51 1/2.

EURO-ASIA CENTRE IN SEAD

The Euro-Asia Centre was created by INSEAD, Europe's largest business school in Fontainebleau, France. It offers seminars and missions for European and Asian executives, keen to develop management skills and to increase their effectiveness in working together in each other's environment.

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8.2.82 to 12.2.82 in Fontainebleau
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12.82 to 12.82 in Fontainebleau
ASIAN MANAGERIAL CULTURES
15.2.82 to 19.2.82 in Hong Kong
HONG KONG INTERNATIONAL EXECUTIVE PROGRAM
22.2.82 to 5.2.82 in Hong Kong
ASIAN INTERNATIONAL EXECUTIVE PROGRAM
8.3.82 to 19.3.82 in Singapore
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Weekly net asset value

Tokyo Pacific Holdings N.V.

on January 1, 1980: U.S. \$66.42
on January 4, 1982: U.S. \$92.57

Listed on the Amsterdam Stock Exchange

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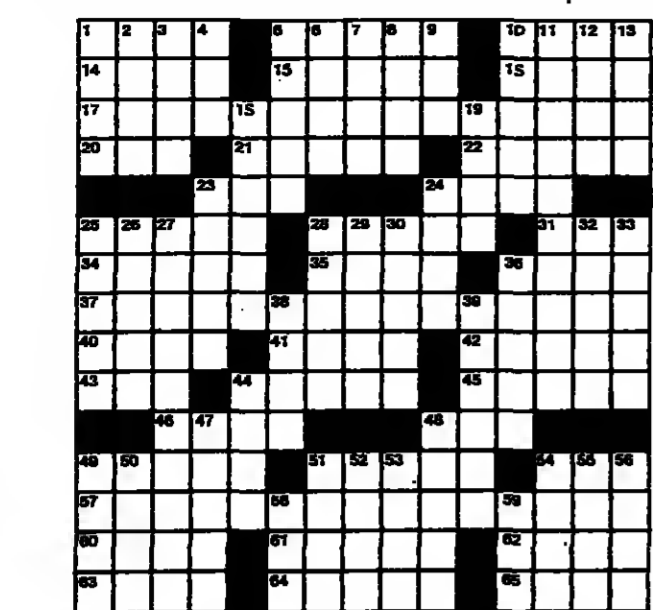
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CURRENCY RATES

Interbank exchange rates for Jan. 6, 1982, excluding bank service charges.

	\$	£	D.M.	F.F.	Y.	Sc.	S.F.	D.L.
American Express	2.446	1.074	109.735	43.18	1.305		1.642	17.125
Barclays	2.445	1.073	109.726	43.17	1.304	15.59		21.95
Bank of America	2.444	1.072	109.717	43.16	1.303	15.58		21.94
Bank of England	2.443	1.071	109.708	43.15	1.302	15.57		21.93
Bank of France	2.442	1.070	109.699	43.14	1.301	15.56		21.92
Bank of Germany	2.441	1.069	109.690	43.13	1.300	15.55		21.91
Bank of Italy	2.440	1.068	109.681	43.12	1.299	15.54		21.90
Bank of Japan	2.439	1.067	109.672	43.11	1.298	15.53		21.89
Bank of London	2.438	1.066	109.663	43.10	1.297	15.52		21.88
Bank of Mexico	2.437	1.065	109.654	43.09	1.296	15.51		21.87
Bank of New York	2.436	1.064	109.645	43.08	1.295	15.50		21.86
Bank of Paris	2.435	1.063	109.636	43.07	1.294	15.49		21.85
Bank of Rome	2.434	1.062	109.627	43.06	1.293	15.48		21.84
Bank of San Francisco	2.433	1.061	109.618	43.05	1.292	15.47		21.83
Bank of Spain	2.432	1.060	109.609	43.04	1.291	15.46		21.82
Bank of Sweden	2.431	1.059	109.600	43.03	1.290	15.45		21.81
Bank of Switzerland	2.430	1.058	109.591	43.02	1.289	15.44		21.80
Bank of Tokyo	2.429	1.057	109.582	43.01	1.288	15.43		21.79
Bank of Union	2.428	1.056	109.573	43.00	1.287	15.42		21.78
Bank of West	2.427	1.055	109.564	42.99	1.286	15.41		21.77
Bank of Zurich	2.426	1.054	109.555	42.98	1.285	15.40		21.76
Bank of London	2.425	1.053	109.546	42.97	1.284	15.39		21.75
Bank of New York	2.424	1.052	109.537	42.96	1.283	15.38		21.74
Bank of Paris	2.423	1.051	109.528	42.95	1.282	15.37		21.73
Bank of Rome	2.422	1.050	109.519	42.94	1.281	15.36		21.72
Bank of San Francisco	2.421	1.049	109.510	42.93	1.280	15.35		21.71
Bank of Spain	2.420	1.048	109.501	42.92	1.279	15.34		21.70
Bank of Sweden	2.419	1.047	109.492	42.91	1.278	15.33		21.69
Bank of Switzerland	2.418	1.046	109.483	42.90	1.277	15.32		21.68
Bank of Tokyo	2.417	1.045	109.474	42.89	1.276	15.31		21.67
Bank of Union	2.416	1.044	109.465	42.88	1.275	15.30		21.66
Bank of West	2.415	1.043	109.456	42.87	1.274	15.29		21.65
Bank of Zurich	2.414	1.042	109.447	42.86	1.273	15.28		21.64
Bank of London	2.413	1.041	109.438	42.85	1.272	15.27		21.63
Bank of New York	2.412	1.040	109.429	42.84	1.271	15.26		21.62
Bank of Paris	2.411	1.039	109.420	42.83	1.270	15.25		21.61
Bank of Rome	2.410	1.038	109.411	42.82	1.269	15.24		21.60
Bank of San Francisco	2.409	1.037	109.402	42.81	1.268	15.23		21.59
Bank of Spain	2.408	1.036	109.393	42.80	1.267	15.22		21.58
Bank of Sweden	2.407	1.035	109.384	42.79	1.266	15.21		21.57
Bank of Switzerland	2.406	1.034	109.375	42.78	1.265	15.20		21.56
Bank of Tokyo	2.405	1.033	109.366	42.77	1.264	15.19		21.55
Bank of Union	2.404	1.032	109.357	42.76	1.263	15.18		21.54
Bank of West	2.403	1.031	109.348	42.75	1.262	15.17		21.53
Bank of Zurich	2.402	1.030	109.339	42.74	1.261	15.16		21.52
Bank of London	2.401	1.029	109.330	42.73	1.260	15.15		21.51
Bank of New York	2.400	1.028	109.321	42.72	1.259	15.14		21.50
Bank of Paris	2.399	1.027	109.312	42.71	1.258	15.13		21.49
Bank of Rome	2.398	1.026	109.303	42.70	1.257	15.12		21.48
Bank of San Francisco	2.397	1.025	109.294	42.69	1.256	15.11		21.47
Bank of Spain	2.396	1.024	109.285	42.68	1.255	15.10		21.46
Bank of Sweden	2.395	1.023	109.276	42.67	1.254	15.09		21.45
Bank of Switzerland	2.394	1.022	109.267	42.66	1.253	15.08		21.44
Bank of Tokyo	2.393	1.021	109.258	42.65	1.252	15.07		21.43
Bank of Union	2.392	1.020	109.249	42.64	1.251	15.06		21.42
Bank of West	2.391	1.019	109.240	42.63	1.250	15.05		21.41
Bank of Zurich	2.390	1.018	109.231	42.62	1.249	15.04		21.40
Bank of London	2.389	1.017	109.222	42.61	1.248	15.03		21.39
Bank of New York	2.388	1.016	109.213	42.60	1.247	15.02		21.38
Bank of Paris	2.387	1.015	109.204	42.59	1.246	15.01		21.37
Bank of Rome	2.386	1.014	109.195	42.58	1.245	15.00		21.36
Bank of San Francisco	2.385	1.013	109.186	42.57	1.244	14.99		21.35
Bank of Spain	2.384	1.012	109.177	42.56	1.243	14.98		21.34
Bank of Sweden	2.383	1.011	109.168	42.55	1.242	14.97		21.33
Bank of Switzerland	2.382	1.010	109.159	42.54	1.241	14.96		21.32
Bank of Tokyo	2.381	1.009	109.150	42.53	1.240	14.95		21.31
Bank of Union	2.380	1.008	109.141	42.52	1.239	14.94		21.30
Bank of West	2.379	1.007	109.132	42.51	1.238	14.93		21.29
Bank of Zurich	2.378	1.006	109.123	42.50	1.237	14.92		21.28
Bank of London	2.377	1.005	109.114	42.49	1.236	14.91		21.27
Bank of New York	2.376	1.004	109.105	42.48	1.235	14.90		21.26
Bank of Paris	2.375	1.003	109.096	42.47	1.234	14.89		21.25
Bank of Rome	2.374	1.002	109.087	42.46	1.233	14.88		21.24
Bank of San Francisco	2.373	1.001	109.078	42.45	1.232	14.87		21.23
Bank of Spain	2.372	1.000	109.069	42.44	1.231	14.86		21.22
Bank of Sweden	2.371	999	109.060	42.43	1.230	14.85		21.21
Bank of Switzerland	2.370	998	109.051	42.42	1.229	14.84		21.20
Bank of Tokyo	2.369	997	109.042	42.41	1.228	14.83		21.19
Bank of Union	2.368	996	109.033	42.40	1.227	14.82		21.18
Bank of West	2.367	995	109.024	42.39	1.226	14.81		21.17
Bank of Zurich	2.366	994	109.015	42.38	1.225	14.80		21.16
Bank of London	2.365	993	109.006	42.37	1.224	14.79		21.15
Bank of New York	2.364	992	108.997	42.36	1.223	14.78		21.14
Bank of Paris	2.363	991	108.988	42.35	1.222	14.77		21.13
Bank of Rome	2.362	990	108.979	42.34	1.221	14.76		21.12
Bank of San Francisco	2.361	989	108.970	42.33	1.220	14.75		21.11
Bank of Spain	2.360	988	108.961	42.32	1.219	14.74		21.10
Bank of Sweden	2.359	987	108.952	42.31	1.218	14.73		21.09
Bank of Switzerland	2.358	986	108.943	42.30	1.217	14.72		21.08
Bank of Tokyo	2.357	985	108.934	42.29	1.216	14.71		21.07
Bank of Union	2.356	984	108.925	42.28	1.215	14.70		21.06
Bank of West	2.355	983	108.916	42.27	1.214	14.69		21.05
Bank of Zurich	2.354	982	108.907	42.26	1.213	14.68		21.04
Bank of London	2.353	981	108.898	42.25	1.212	14.67		21.03
Bank of New York	2.352	980	108.889	42.24	1.211	14.66		21.02
Bank of Paris	2.351	979	108.880	42.23	1.210	14.65		21.01
Bank of Rome	2.350	978	108.871	42.22	1.209	14.64		21.00
Bank of San Francisco	2.349	977	108.862	42.21	1.208	14.63		20.99
Bank of Spain	2.348	976	108.853	42.20	1.207	14.62		20.98
Bank of Sweden	2.347	975	108.844	42.19	1.206	14.61		20.97
Bank of Switzerland	2.346	974	108.835	42.18	1.205	14.60		20.96
Bank of Tokyo	2.345	973	108.826	42.17	1.204	14.59		20.95
Bank of Union	2.344	972	108.817	42.16	1.203	14.58		20.94
Bank of West	2.343	971	108.808	42.15	1.202	14.57		20.93
Bank of Zurich	2.342	970	108.799	42.14	1.201	14.56		20.92
Bank of London	2.341	969	108.790	42.13	1.200	14.55		20.91
Bank of New York	2.340	968	108.781	42.12	1.199	14.54		20.90
Bank of Paris	2.339	967	108.772	42.11	1.198	14.53		20.89
Bank of Rome	2.338	966	108.763	42.10	1.197	14.52		20.88
Bank of San Francisco	2.337	965	108.754	42.09	1.196	14.51		20.87
Bank of Spain	2.336	964	108.745	42.08	1.195	14.50		20.86
Bank of Sweden	2.335	963	108.736	42.07	1.194	14.49		20.85
Bank of Switzerland	2.334	962	108.727	42.06	1.193	14.48		20.84
Bank of Tokyo	2.333	961	108.718	42.05	1.192	14.47		20.83
Bank of Union	2.332	960	108.709	42.04	1.191	14.46		20.82
Bank of West	2.331	959	108.700	42.03	1.190	14.45		20.81
Bank of Zurich	2.330	958	108.691	42.02	1.189	14.44		20.80
Bank of London	2.329	957	108.682	42.01	1.188	14.43		20.79
Bank of New York	2.328	956	108.673	42.00	1.187	14.42		20.78
Bank of Paris	2.327	955	108.664	41.99	1.186	14.41		20.77
Bank of Rome	2.326	954	108.655	41.98	1.185	14.40		20.76
Bank of San Francisco	2.325	953	108.646	41.97	1.184	14.39		20.75
Bank of Spain	2.324	952	108.637	41.96	1.183	14.38		20.74
Bank of Sweden	2.323	951	108.628	41.95	1.182	14.37		20.73
Bank of Switzerland	2.322	950	108.619	41.94	1.181	14.36		20.72
Bank of Tokyo	2.321	949	108.610	41.93	1.180	14.35		20.71
Bank of Union	2.320	948	108.601	41.92	1.179	14.34		20.70
Bank of West	2.319	947	108.592	41.91	1.178	14.33		20.69
Bank of Zurich	2.318	946	108.583	41.90	1.177	14.32		20.68
Bank of London	2.317	945	108.574	41.89	1.176	14.31		20.67
Bank of New York	2.316	944	108.565	41.88	1.175	14.30		20.66
Bank of Paris	2.315	943	108.556	41.87	1.174	14.29		20.65
Bank of Rome	2.314	942	108.547	41.86	1.173	14.28		20.64
Bank of San Francisco	2.313	941	108.538	41.85	1.172	14.27		20.63
Bank of Spain	2.312	940	108.529	41.84	1.171	14.26		20.62
Bank of Sweden	2.311	939	108.520	41.83	1.170	14.25		20.61
Bank of Switzerland	2.310	938	108.511	41.82	1.169	14.24		20.60
Bank of Tokyo	2.309	937	108.502	41.81	1.168	14.23		20.59
Bank of Union	2.308	936	108.493	41.80	1.167	14.22		20.58
Bank of West	2.307	935	108.484	41.79	1.166	14.21		20.57
Bank of Zurich	2.306	934	108.475	41.78	1.165	14.20		20.56
Bank of London	2.305	933						

CROSSWORD Edited by Eugene T. Maleska



- ACROSS**
- 1 Dante's terza
 - 5 Where Gov. Aschew works
 - 10 Nigerian native
 - 14 Kind of history or pathology
 - 15 Cut of meat
 - 16 Scoff
 - 17 Work by Puccini
 - 28 Chemical suffix
 - 21 Mountain spur
 - 22 Apportion
 - 23 Abstract being
 - 24 A Roman from Boston
 - 25 Pale
 - 26 Sheds for fowl
 - 31 Roy or Reiner
 - 34 Record of a single event
 - 35 Massenet melody
 - 36 Arrive
 - 37 Work by Wagner
 - 40 — fix
 - 41 Without worth
 - 42 Spirits
 - 43 Saul's uncle
 - 44 Less open and forthright
 - 45 Fortification
 - 46 Apartment
 - 48 Quaver in "cookbook"
 - 49 To the stern
 - 51 Daytime TV fare
 - 54 Object
 - 57 Work by Verdi, with "La"
 - 60 Toward the sheltered side
 - 61 Arab chief
 - 62 Access to the Comstock Lode
 - 63 Rhode Island
 - 64 Beethoven's "Solemnis"
 - 65 Estimate
- DOWN**
- 1 Songwriter for "Call Me Mister"
 - 2 Bani-Sadr's land
 - 3 Fabricated
 - 4 Sen. Denton's state
 - 5 Some are super
 - 6 Title List held
 - 7 Bumpkin
 - 8 Chap, in Chiapas: Colloq.
 - 9 Where to see 17 Across
 - 10 Wading bird
 - 11 In which All layed Dunn: 1962
 - 12 Suffix with repress
 - 13 Cronin's "The — of the Kingdom"
 - 15 Cloak
 - 16 Large birds
 - 23 Growing out
 - 24 Bevel out
 - 25 Fence created by Dickens
 - 26 Collector of electronics
 - 27 Meddled
 - 28 Tea container
 - 29 Vestment for John Paul II
 - 30 Kitchen device
 - 32 — Vincent
 - 33 Mid-east V.I.P.
 - 34 Indian group
 - 35 Tumult
 - 36 Way out
 - 44 Comedienne Williams
 - 47 Lolls
 - 48 Theme of this state
 - 49 Distantly
 - 50 Carmen or Violetta
 - 51 Prefix with tone
 - 52 Bravos' kin
 - 53 Fruity drinks
 - 54 Ethiopian princess
 - 55 First: Abbr.
 - 56 Check
 - 58 Rapa check
 - 59 Dick Deadeye, e.g.

WEATHER

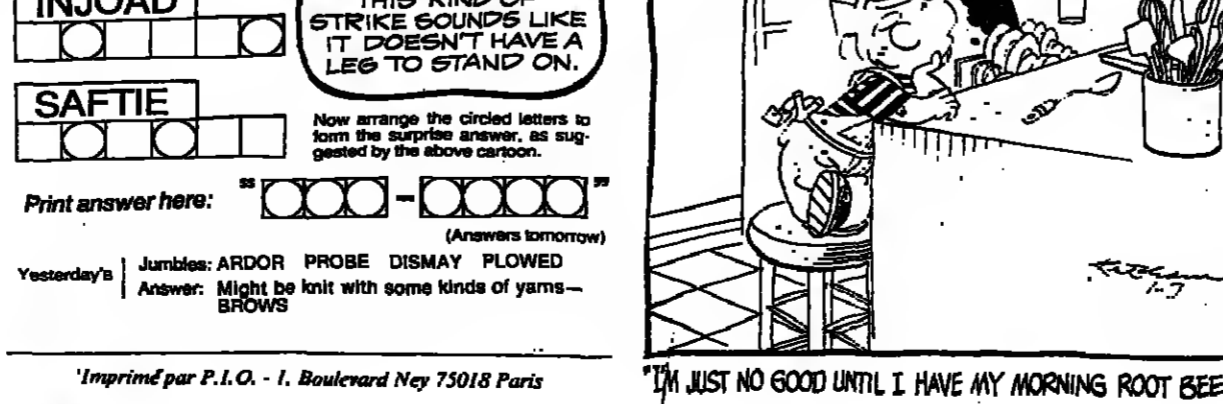
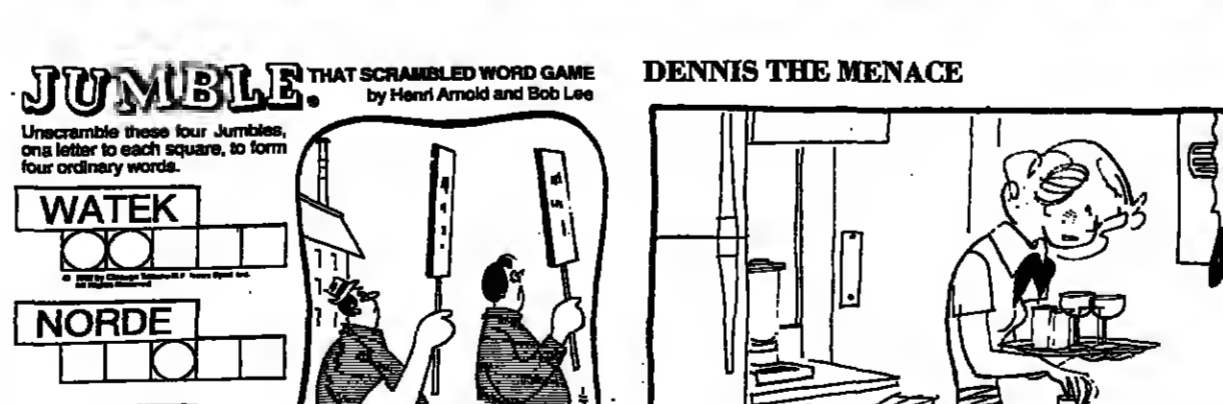
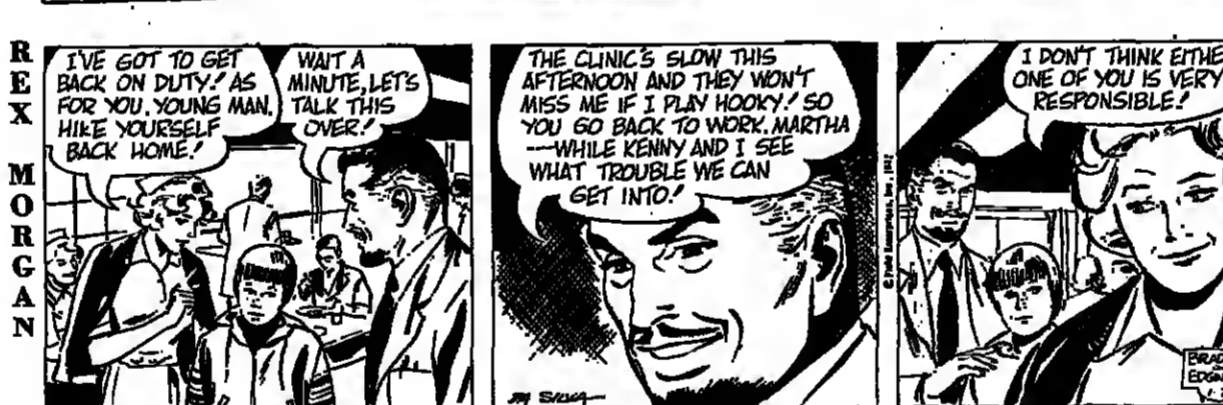
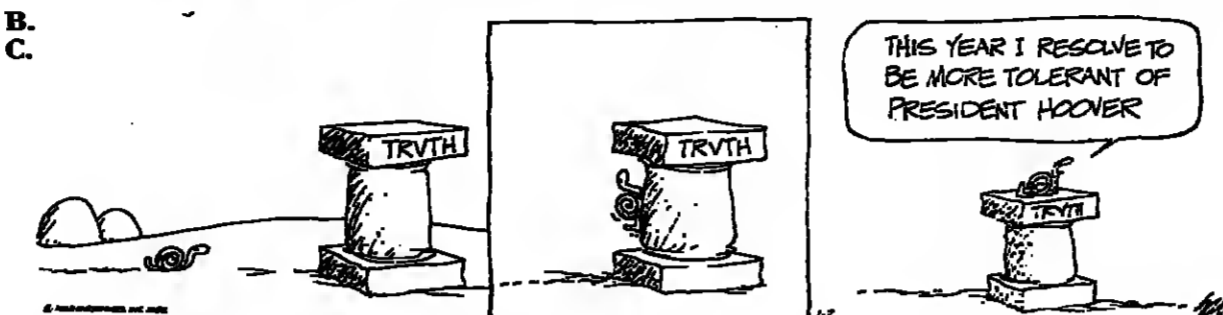
	HIGH	LOW		HIGH	LOW
	C	F		C	F
ALABAMA	12	54	9	48	Poppy
ALASKA	18	64	5	41	Fair
AMSTERDAM	10	50	2	28	Snow
ANKARA	1	34	20	68	Cloudy
ANTWERP	10	50	4	39	Cloudy
AUCKLAND	25	77	15	59	Fair
BANGKOK	28	82	26	79	Overcast
BARCELONA	12	54	7	45	Cloudy
BELGRADE	11	52	29	84	Overcast
BELMONT	11	52	29	84	Overcast
BIRMINGHAM	11	52	29	84	Overcast
BOSTON	11	52	29	84	Overcast
BRUSSELS	11	52	29	84	Overcast
BUCHAREST	11	52	29	84	Overcast
BUDAPEST	11	52	29	84	Overcast
BUENOS AIRES	25	77	15	59	Fair
CAIRO	19	66	9	48	Overcast
CALCUTTA	28	82	26	79	Overcast
CANBERRA	20	68	8	46	Cloudy
CHICAGO	7	45	1	34	Cloudy
COPENHAGEN	11	52	29	84	Overcast
COSTA MESA	11	52	29	84	Overcast
DAMASCUS	19	66	9	48	Overcast
DUBLIN	4	39	2	28	Snow
EDINBURGH	7	45	1	34	Cloudy
FLORENCE	17	63	11	52	Overcast
FRANKFURT	7	45	1	34	Cloudy
GENEVA	7	45	1	34	Cloudy
HONG KONG	19	66	9	48	Overcast
HOUSTON	26	79	11	52	Cloudy
INDIANAPOLIS	22	72	14	57	Cloudy
JERUSALEM	11	52	29	84	Overcast
LAS PALMAS	25	77	15	59	Fair
LIMA	20	68	8	46	Cloudy
LONDON	17	63	11	52	Overcast
LOS ANGELES	5	41	1	34	Fair

Readings from the previous 24 hours.

ADVERTISEMENT INTERNATIONAL FUNDS

January 7, 1982

The net asset value quotations shown below are supplied by the Funds listed with the exception of those indicated otherwise. All values are in U.S. dollars.	
Fund Name	Value
ALLIANCE INVESTMENT FUND	\$12.30
BANK JULIUS BAER & Co Ltd	\$12.30
(1) American Int'l Fund	\$12.30
(2) European Int'l Fund	\$12.30
(3) Japanese Int'l Fund	\$12.30
(4) Latin American Int'l Fund	\$12.30
(5) Middle East Int'l Fund	\$12.30
(6) Pacific Int'l Fund	\$12.30
(7) South American Int'l Fund	\$12.30
(8) Swiss Int'l Fund	\$12.30
(9) United Kingdom Int'l Fund	\$12.30
(10) U.S. Int'l Fund	\$12.30
(11) World Int'l Fund	\$12.30
(12) European Int'l Fund	\$12.30
(13) Japanese Int'l Fund	\$12.30
(14) Latin American Int'l Fund	\$12.30
(15) Middle East Int'l Fund	\$12.30
(16) Pacific Int'l Fund	\$12.30
(17) South American Int'l Fund	\$12.30
(18) Swiss Int'l Fund	\$12.30
(19) United Kingdom Int'l Fund	\$12.30
(20) U.S. Int'l Fund	\$12.30
(21) World Int'l Fund	\$12.30
(22) European Int'l Fund	\$12.30
(23) Japanese Int'l Fund	\$12.30
(24) Latin American Int'l Fund	\$12.30
(25) Middle East Int'l Fund	\$12.30
(26) Pacific Int'l Fund	\$12.30
(27) South American Int'l Fund	\$12.30
(28) Swiss Int'l Fund	\$12.30
(29) United Kingdom Int'l Fund	\$12.30
(30) U.S. Int'l Fund	\$12.30
(31) World Int'l Fund	\$12.30
(32) European Int'l Fund	\$12.30
(33) Japanese Int'l Fund	\$12.30
(34) Latin American Int'l Fund	\$12.30
(35) Middle East Int'l Fund	\$12.30
(36) Pacific Int'l Fund	\$12.30
(37) South American Int'l Fund	\$12.30
(38) Swiss Int'l Fund	\$12.30
(39) United Kingdom Int'l Fund	\$12.30
(40) U.S. Int'l Fund	\$12.30
(41) World Int'l Fund	\$12.30
(42) European Int'l Fund	\$12.30
(43) Japanese Int'l Fund	\$12.30
(44) Latin American Int'l Fund	\$12.30
(45) Middle East Int'l Fund	\$12.30
(46) Pacific Int'l Fund	\$12.30
(47) South American Int'l Fund	\$12.30
(48) Swiss Int'l Fund	\$12.30
(49) United Kingdom Int'l Fund	\$12.30
(50) U.S. Int'l Fund	\$12.30
(51) World Int'l Fund	\$12.30
(52) European Int'l Fund	\$12.30
(53) Japanese Int'l Fund	\$12.30
(54) Latin American Int'l Fund	\$12.30
(55) Middle East Int'l Fund	\$12.30
(56) Pacific Int'l Fund	\$12.30
(57) South American Int'l Fund	\$12.30
(58) Swiss Int'l Fund	\$12.30
(59) United Kingdom Int'l Fund	\$12.30
(60) U.S. Int'l Fund	\$12.30
(61) World Int'l Fund	\$12.30
(62) European Int'l Fund	\$12.30
(63) Japanese Int'l Fund	\$12.30
(64) Latin American Int'l Fund	\$12.30
(65) Middle East Int'l Fund	\$12.30
(66) Pacific Int'l Fund	\$12.30
(67) South American Int'l Fund	\$12.30
(68) Swiss Int'l Fund	\$12.30
(69) United Kingdom Int'l Fund	\$12.30
(70) U.S. Int'l Fund	\$12.30
(71) World Int'l Fund	\$12.30
(72) European Int'l Fund	\$12.30
(73) Japanese Int'l Fund	\$12.30
(74) Latin American Int'l Fund	\$12.30
(75) Middle East Int'l Fund	\$12.30
(76) Pacific Int'l Fund	\$12.30
(77) South American Int'l Fund	\$12.30
(78) Swiss Int'l Fund	\$12.30
(79) United Kingdom Int'l Fund	\$12.30
(80) U.S. Int'l Fund	\$12.30
(81) World Int'l Fund	\$12.30
(82) European Int'l Fund	\$12.30
(83) Japanese Int'l Fund	\$12.30
(84) Latin American Int'l Fund	\$12.30
(85) Middle East Int'l Fund	\$12.30
(86) Pacific Int'l Fund	\$12.30
(87) South American Int'l Fund	\$12.30
(88) Swiss Int'l Fund	\$12.30
(89) United Kingdom Int'l Fund	\$12.30
(90) U.S. Int'l Fund	\$12.30
(91) World Int'l Fund	\$12.30
(92) European Int'l Fund	\$12.30
(93) Japanese Int'l Fund	\$12.30
(94) Latin American Int'l Fund	\$12.30
(95) Middle East Int'l Fund	\$12.30
(96) Pacific Int'l Fund	\$12.30
(97) South American Int'l Fund	\$12.30
(98) Swiss Int'l Fund	\$12.30
(99) United Kingdom Int'l Fund	\$12.30
(100) U.S. Int'l Fund	\$12.30



BOOKS

MONTY

The Making of a General 1887-1942

By Nigel Hamilton. 871 pp. \$22.95.

McGraw-Hill, 1221 Avenue of the Americas, New York, N.Y. 10020.

Reviewed by Drew Middleton

THERE were two Montgomeries: one, an innovative, highly professional soldier who revised the tactics, training and operational planning of the British army and then led that army in a series of victories unequalled since Wellington's day; the other, a vain, egocentric, objectionable man whose loyalty to friends and relatives was always in doubt.

In "Monty," the first volume of his monumental biography of Field Marshal Viscount Montgomery of Alamein, Nigel Hamilton has dissected and examined these strains in the character of one of the most singular Englishmen of this century. He has performed the task splendidly; this is Monty, a great general but a perverse, difficult man. If there are more wars in the portrait than some would wish, well, Monty had plenty.

Many good writers, Alan Moorehead and Alan Chalfont among them, have had a shot at explaining Monty. No one has come as close to the man as Hamilton. He had access to 44 volumes of Montgomery's war diaries; he interviewed scores of the field marshal's military and civilian contemporaries and, apparently, he has read everything in British archives concerning the man and his battles.

The author knew Montgomery for 20 years. (In an author's note he mentions "the gift of friendship" and says that, in undertaking the biography he felt he "would be repaying a debt of gratitude.") The book is basically pro-Montgomery. The criticisms of his tactical and organizational approach, which were debated during and after his campaigns in North Africa, are seldom mentioned. (Hamilton, however, will not be able to sidestep Montgomery's critics when, in his second volume, he deals with the Allied pursuit of the Germans across North Africa, the campaign in Sicily and Montgomery's tactics in Normandy.)

A Great Soldier

Was Montgomery a great soldier? On the evidence presented by Hamilton and by the official histories of the war, the answer must be an unequivocal "Yes."

Out of the wreckage of the British Army after Dunkirk, Monty trained first a division, then a corps and finally an army to the highest standards of effectiveness.

In 1942, at the nadir of British fortunes in North Africa, he went to Egypt. In less than three months he transformed a brave but baffled Eighth Army. The officer corps was cleansed of defeatists and, significantly, of those who did not accept Montgomery's tactical concepts. Chief among these was maintenance of the integrity of divisions. Until Monty arrived in the desert, and especially after the British retreat to Alamein, the high command had been enamored of the idea of small formations fighting isolated actions. Montgomery wanted divisions to fight as units; he rejected the idea of using his troops in "small packets." Montgomery was the first British general to believe, and to convince others, that battles could only be won by combined efforts of infantry, tanks, artillery and engineers.

What the U.S. Army calls the "all arms doctrine" is familiar now. It was a new, and not universally welcomed, idea when Montgomery began the education of his own and other armies.

Monty directed the army he had trained in the great defensive victory of Alamein and the brilliant offensive triumph of El Alamein. If the latter was not quite the turning point of World War II, as Hamilton believes, it surely ranks with Midway and Stalingrad. Doubters may consider what would have happened to the Allied landings in French North Africa if Rommel had won at Alamein the week before.

In this volume, Nigel Hamilton gives us fairly complete summaries of the often day-long strategic and tactical instructions Montgomery gave his officers. Not only are they fascinating records of the development of new military thinking, but they reflect

clearly many of the lessons he had learned as a young officer in Ireland during the struggle there for independence, and as a steadily advancing commander of British units in Egypt, the Holy Land and India in the years between the two great wars. Just before the outbreak of war in Europe in 1939, he had been appointed as a divisional commander (major general) in Palestine during the general rebellion there; and his outline plan for quelling the uprising, both politically and militarily, became the official plan of the War Office. And it was not only a battle that he learned; he came to know the army, its weaknesses and its possibilities, in the long quiet years he spent as a training officer in England.

A Professional with Flaws

Hamilton fails to emphasize the flaws in Montgomery's generalship. One of them — his inattention to pursuit and exploitation — damaged the Alamein victory. Even before the war, the British military writer Basil Liddell Hart had clearly outlined the dangers of neglecting quick pursuit following victory. But the author answers criticisms of Montgomery's caution in Africa by pointing to the disastrous Arnhem operation later in the war as an example of what could happen when Monty discarded his habitual caution.

Monty was the complete professional, but one of his least likeable traits was his denigration of his military and political colleagues. Hamilton supports — and expands upon — Montgomery's criticisms of Field Marshals Auchinleck and Alexander and dozens of minor generals. Lord Mountbatten and even Winston Churchill. The only soldier who escapes censure is Field Marshal Viscount Alanbrooke, chief of the Imperial General Staff, and for good reason: he believed in Montgomery, helped him climb the promotion ladder and, once he had command of the Eighth Army, supported him.

Supporting such a man cannot have been easy, and that not only because he sniped at his colleagues and superiors. In the two years between the debacle at Dunkirk and his campaign in North Africa, Montgomery began to display that "obsessional" desire to prove himself in war which, Hamilton writes, led people to refer to him as "the mad general." The author toys with the idea that "perhaps madness is a prerequisite of military genius — at least a determination and self-discipline bordering on insanity." During this same period Montgomery occasionally immersed himself in military trivia that had no bearing on winning the war, thus embroidering his reputation for egocentric eccentricity.

Although this is mainly a military biography, Hamilton does give a full account of Montgomery's antecedents and upbringing. He was the son of a clergyman; his mother, much younger than her husband, was a Victorian who ruled her household with an iron hand. They moved to Australia when the future general was two, at the time that his father became Bishop of Tasmania. Young Montgomery was unruly, stubborn about maintaining his own independence, sometimes in trouble at school and often in conflict with his mother. He said that in later years he was devoted to her, but there is good evidence that he had come to abhor her and, indeed, many of his other relatives. But I doubt if the memories of his mother had much influence on Monty's generalship.

Betty Montgomery, the field marshal's wife, is the most attractive person in the book. An artist, a woman of sensibility and good humor, with a gift for laughter and friendship, she was the only person who seemed able to humanize Monty. Her death was a brutal blow. He had married her in July 1927 when he was almost 40 and, as he related in his memoirs, "she died in my arms" 10 years later. His only refuge was his profession. Hamilton makes it clear that the ascetic, intolerant, bumptious little general who emerged after Alamein as one of the great leaders of World War II was in many ways fashioned by that intolerable loss.

Drew Middleton is on the staff of the New York Times.

Pakistan Curbs Indian Sari

KARACHI, Pakistan — The sari, worn by women in India, has been banned in Pakistan on official and semi-official organizations. Sources in Islamabad said that the sari reportedly was banned as un-Islamic. Women employees have been told to report to work in baggy trousers and long shirts. Pakistan's national dress.

BRIDGE

By Alan Truscott

ON the diagramed deal, nearly all the North-South partnerships bid six no-trump and made exactly 12 tricks. But there was one interesting exception.

The usual contract was reached by a rather peculiar route. Presumably four no-trump was intended to be Blackwood, but North refused to show spades, taking a unilateral decision to play six no-trump.

After an opening diamond lead, South finessed the ten, planning to claim his slam if the finesse lost. The finesse won, however, and South could now see the prospect of an over-trick.

As this was match-point scoring, the over-trick was important. Before repeating the diamond finesse, he had to disentangle his black suits, so he cashed the spade jack and took all his black-suit winners.

He then repeated the "sure" diamond finesse, and was horrified when East produced the queen. Since the ace-king of diamonds were now isolated in the dummy, the defense scored a heart trick to defeat the slam.

The brilliant duck on the first trick was executed by East. Notice that

NORTH (D)			
♠	J		
♥	Q 10 8 7 6 2		
♦	A K J 10		
♣	A K 5		
WEST			
♠	7 5 3 2		
♥	Q 9 5		
♦	7 5 2		
♣	8 6 4 3		
EAST			
♠	10 8 6 4		
♥	K 9 4		
♦	Q 8 6 3		
♣	10 7		
SOUTH			
♠	A K Q 9		
♥	A J 3		
♦	Q 8 4		
♣	Q J 9 2		
Neither side was vulnerable. The bidding:			
North	East	South	West
1♠	Pass	1♠	Pass
2♦	Pass	4NT	Pass
6NT	Pass	Pass	Pass

West led the diamond seven.

South's communications did not allow him to repeat the diamond finesse with safety, for he had no way to enter his hand early without exposing himself in hearts or leaving a blocked position in one of the black suits.

مكتبات الاصل

Greggs' Bengals Finally Get the Point

CINCINNATI — It was late spring of 1980, just before the opening session of a Cincinnati Bengals minicamp. The players were waiting to start their first meeting with a new coach, Forrest Gregg.

"I remember he walked into the room and you sort of knew things were going to be different before he even said a word," said guard David Lapham. "I've never seen anything like it. You knew you were going to have to respect this guy."

"I mean, he's imposing physically. But he also had a Super Bowl ring and he played with Vince Lombardi and was on all those championship Green Bay teams. That gave him immediate credentials."

"We realized he had paid his dues and more, surviving all those Lombardi years. He was what we needed."

The National Football League team Gregg greeted that day was coming off consecutive 4-12 seasons, despite a nucleus of high-round draft choices. Paul Brown had retired from coaching in 1975, and since then, two coaches — Bill Johnson and Homer Rice — had failed to keep the Bengals in the playoffs.

Misdirected Personnel

"I can't remember Homer or Bill chewing guys out for being lousy," said defensive end Eddie Edwards.

"It was getting to the point where practice was a joke," said Lapham. "Fooling around and not much concentration in meetings. Some guys were 15 or 20 pounds overweight by the end of the season, and the play on the field wasn't very disciplined. We had 43 guys going in six different directions."

"We were struggling. Forrest Gregg funded us in one direction. He taught us how to win instead of worrying about losing."

In two years, Gregg's no-nonsense attitude has transformed the Bengals into one of the NFL's elite teams. After winning 12 of 16 regular-season games this year, they beat Buffalo, 28-21, to advance to Sunday's American Conference championship game here against San Diego, an opponent they demolished, 40-17, two months ago.

Modifying Vince

Gregg has performed his minor miracle with a modified Lombardi approach.

"He doesn't try to imitate his old coach, but he does follow some of Lombardi's basic tenets regarding the handling of players."

"People hear the word 'discipline,'" Gregg said. "And sometimes they get the wrong impression. You don't have to sit on players to get discipline."

"But I do believe you need to provide leadership. Someone has to make the decisions and provide direction, and that's what I try to do."

"It's very important in any organization. You set stand-

ards — you have rules and you enforce them. They're the same for everybody.

"A lot of people go with the philosophy that these guys are pros and they'll take care of themselves."

"They'll take care of themselves," he said, "because I'm watching them take care of themselves."

Gregg was speaking earlier this week at the team's practice field. A fierce wind was blowing, and a huge steel drum suddenly rolled across the practice field. Gregg, seated at a desk, had a view through a window. "Look out!" he shouted, interrupting himself.

"Some of our players are out there jogging and they might get hit," said Gregg — a coach was watching his players take care of themselves.

Gregg is a hard-nosed Texan who, as a Hall-of-Fame offensive tackle, was once described by Lombardi as the best player — in any position — he had ever coached. Gregg looks like a man you wouldn't want to take on in a barroom brawl.

"He's a tough guy, no question," Lapham said. "But he treats us like men. He's fair. You ask him how you are playing and he'll tell you."

"Sometimes he is too honest, but at least he tells you straight."

'I Was Fired'

Gregg got his first head coaching job in 1975 with the Cleveland Browns. The Browns were 3-11 his first season and 9-5 the second, when he was the American Conference coach of the year. He left before the final game of his third season, when Cleveland was 6-7.

He described his departure simply: "I was fired."

He is sensitive about the Cleveland episode. Some Browns complained that he treated them like second-graders.

The word about Gregg around the league soon became: "Can't relate with the new generation of athletes."

"Don't get me started or I'll go off into tantrums," he said. His firing was the low point of the 32 years he has spent in football as a player or coach. But football is not first with Gregg.

Echoing Lombardi, he said: "I learned the most important parts of your life are your religion, your family, your occupation. That didn't dawn on me until I almost died."

The reference was to his experience with cancer, which he overcame after two operations during his Cleveland tenure.

He spent a year in private business and a season in the Canadian Football League before Cincinnati decided to ignore the supposed generation-gap factor.

Gregg probably has mellowed since his Cleveland days, but Bengal players still don't have much room for error. When star nose guard Wilson Whitley reported 10 pounds overweight for training camp, Gregg chewed him out, on the



Forrest Gregg
... You have rules and you enforce them.

field and in front of his teammates, the opening day of workouts.

"I'm convinced teams take on the personality of their coach," Lapham said.

Laughter No More

But does Gregg ever walk away from his image? Does he ever have a well-fun?

"Oh sure, he can let his hair down like anyone else," Lapham said. "Sometimes he'll cut up in meetings and tell a joke. And after our last few wins, he's been about the happiest guy in the dressing room."

"But no one expects him to be a comedian."

That's why no one is laughing at the Bengals any more.

Teams' Disparity Still Besets NBA

By Sam Goldaper
New York Times Service

NEW YORK — The question of parity for the National Basketball Association, which several league owners constantly talk about but have been unable to solve, has surfaced again.

Another attempt will be made to place the issue on the agenda when the owners meet Jan. 30, the day before the all-star game.

In the last several years, attempts have been made to limit expansion — several owners contending that it has caused the disparity. Last season, when the league announced a nine percent drop in attendance, to an average of 10,364, of the 23 teams finished below 500. They included Dallas (15-57), Detroit (21-61) and New Jersey (24-58).

12 Under 500

Although the league reports that attendance is now up 10 percent — an average of 10,364 against 9,406 at this time a year ago — concern remains that 12 teams are under 500.

The chief concern is over Cleveland (6-25), San Diego (8-22), Dallas (7-23) and Utah (10-20). "Cleveland does not have a first-round draft pick until 1987," said Harry Mangurian, the Boston Celtics owner.

"It's a shame a team as powerful as the Los Angeles Lakers has Cleveland's pick next season. The Lakers will get the first or second pick, and Cleveland will be as weak as ever."

"We ought to change the draft rules to give the weaker teams a better shot at the top players in the draft. We need parity in this league, or we are going to have trouble."

"I'm in favor of putting a limit on the trading of first-round draft choices for more than one season."

I tried to get approval at the owners' meetings last June, but it was voted down."

It would take a three-quarters vote to make the change.

Until now, most suggestions for change have come from the senior owners.

However, Harold Katz, the new owner of the Philadelphia 76ers, is expressing concern. "I'm definitely for parity," he said.

"When teams with records like Cleveland come into your arena three times, parity is the only answer. Our attendance is up 39 percent, but it wasn't done with teams like Cleveland coming in."

"I'm not in favor of helping out the Dallas Mavericks. They have a lot of draft choices piled up. But I'm definitely in favor of some kind of help for Cleveland, Utah and San Diego."

"If we do nothing about helping those teams it may take them more than five years to turn it around, and by then it may be too late."

"No league should operate with five strong teams, six fair teams and the balance weak teams."

The Cavaliers are averaging 6,477 at home. San Diego 5,481 and Utah 7,800. When Cleveland played at Madison Square Garden, the crowd was announced as

9,365; at Philadelphia, 10,365; at Dallas 6,981 and at Indiana, 8,664. All those figures were below the home team's seasonal average. Some owners complained that the gate receipts did not meet expenses.

"It's ridiculous to think that Los Angeles will give back Cleveland's pick in next June's draft."

Katz said there were several ways to help the weaker teams.

"We could give them an extra first-round draft choice or we could do it with a special draft in which each team would protect eight or nine players and leave the rest available for the weaker teams to select," he said.

Not Unprecedented

Should the owners come up with a solution, it would not be unprecedented.

In the mid-1960s an extra draft choice was awarded to the New York Knicks and the San Francisco Warriors.

"It's something that should be discussed," said David Stern, the NBA executive vice president.

"Our rules, such as the draft and the waiver procedures, are designed to equalize teams."

"If owners want to change those rules, the subject can be put on the agenda for the all-star meetings."



Washington forward Jeff Ruland, crowded by Mike Gminski, center, and James Bailey as he made a move to the basket, drew a foul and completed a three-point play Tuesday. Ruland's career-high 25 points led the Bullets, but New Jersey won, 114-108.

NBA Standings

EASTERN CONFERENCE				PACIFIC DIVISION			
Team	W	L	Pct.	Team	W	L	Pct.
Philadelphia	24	12	.667	Los Angeles	24	8	.750
Boston	23	13	.643	Seattle	19	11	.633
New York	17	15	.531	Golden State	18	11	.621
Washington	13	17	.438	Phoenix	18	13	.577
New Jersey	12	18	.400	Portland	18	13	.577
				San Diego	6	22	.214
CENTRAL DIVISION				WESTERN CONFERENCE			
Team	W	L	Pct.	Team	W	L	Pct.
Atlanta	22	10	.688	San Antonio	20	10	.667
Indiana	17	15	.531	Dallas	18	12	.600
Albany	14	16	.464	Houston	18	12	.600
Detroit	14	18	.438	Utah	14	18	.438
Chicago	13	19	.406	Kansas City	11	21	.344
Cleveland	6	25	.194	Dallas	10	22	.310

NHL Standings

WALE CONFERENCE				PACIFIC DIVISION			
Team	W	L	Pct.	Team	W	L	Pct.
NY Islanders	22	11	.667	Los Angeles	24	8	.750
Philadelphia	21	12	.633	Seattle	19	11	.633
Pittsburgh	18	15	.545	Golden State	18	11	.621
NY Rangers	14	16	.464	Phoenix	18	13	.577
Washington	12	18	.400	Portland	18	13	.577
				San Diego	6	22	.214
ADAMS DIVISION				WESTERN CONFERENCE			
Team	W	L	Pct.	Team	W	L	Pct.
Boston	22	11	.667	San Antonio	20	10	.667
Montreal	21	12	.633	Dallas	18	12	.600
Buffalo	21	12	.633	Houston	18	12	.600
Quebec	21	12	.633	Utah	14	18	.438
Hartford	10	20	.333	Kansas City	11	21	.344
				Dallas	10	22	.310
SMITH DIVISION							
Team	W	L	Pct.				
Edmonton	25	7	.781				
Vancouver	14	18	.438				
Calgary	13	19	.406				
Los Angeles	12	22	.353				
Colorado	11	23	.324				

Transactions

BASEBALL
American League
MINNESOTA — Signed Sam Rice, catcher, and Sam Rice, pitcher, to one-year contracts.
National League
ATLANTA — Signed Glenn Beckert, second baseman, to a one-year contract.
Major League Baseball
LOS ANGELES — Fired assistant coach Linn Taylor, Bud Carson, Hewitt Olson, Frank Lautner and Don Rodolphson.
MLB — Announced the retirement of Vern Don Herder, defensive lineman.

Steinbrenner 'Invites' Yankees to Early Camp

By Jane Gross
New York Times Service

NEW YORK — George Steinbrenner, the Yankees' principal owner, has sent a three-page letter to his players urging each of them to report to spring training several weeks before they are required to under the terms of major league baseball's collective bargaining agreement.

The letter states Steinbrenner's desire for "maximum dedication" and offers to trade any player who "would rather be a part of another organization."

The letter has produced mixed reactions from the players and concern from Marvin Miller, the executive director of the Major League Baseball Players Association.

It urges pitchers, catchers and "certain others" to report to the Yankee camp in Fort Lauderdale, Fla., Feb. 9 and the rest of the team to report Feb. 16.

The bargaining agreement specifies that no players can be forced to go to spring training before March 1, although voluntary early camps are not uncommon. Last year, certain Yankees, most of them young pitchers or players returning from injuries, attended a camp that began Feb. 13. Pitchers and catchers reported Feb. 20 and the rest of the team arrived March 1.

RSVP

The letter, which is dated Dec. 21, is signed "George" and includes a stamped RSVP card. It makes clear that the early reporting date is only a request and that the players will probably be compensated with extra days off during spring training. It itemizes the physical improvements that will be made at the team's training site and the new emphasis on such fundamentals as hitting, base running and physical conditioning.

"If you're willing to undertake this dedication, I want to know," Steinbrenner wrote. "If you feel you are unable to comply, or not interested, or would rather be a part of another organization, I will do my very best to place you anywhere you might be happy. I am hopeful that will not be the case."

According to Bill Bergesch, the Yankee vice president to whom the reply cards are addressed, several players have already responded positively. Steinbrenner could not be reached at either his New York or Tampa, Fla., offices for comment.

The letter was read to the New York Times by someone who asked not to be identified; its contents were confirmed by a half-dozen of its recipients.

Miller was read the letter on Monday but had not yet seen a copy Tuesday. "Although it is couched in invitational terms," he said, "it's more like an invitation than a command. It's a difficult situation. Under the terms of the contract, nobody can be forced to come before March 1 or be penalized for not doing so."

'Bullying Tactic'

"With something like this, the threat is unmistakable, but the penalty might be difficult to put your finger on. The disfavor of the owner could be transmitted to the general manager and on to the field manager."

"It's a bullying tactic and I'm not certain yet how we'll deal with it. I want to see the letter and discuss it with the players."

Several Yankees have forwarded the letter to their agents or discussed its contents with them, expressing concern that by not reporting early they could jeopardize their status with the team. Dick Moore, a player agent, characterized the letter as "heavy-handed" and informed the players' association of its contents.

"I don't like the way it's come down, but I'm going to report," said Bob Watson, one of the Yankee first basemen. "In so many words, he's said that if you don't, you're in trouble."



Steinbrenner
... If you're willing to undertake this dedication, I want to know.

Wisconsin U. On Probation

The Associated Press

MISSION, Kan. — The University of Wisconsin has been placed on a one-year probation by the National Collegiate Athletic Association for football recruiting violations and improper use of funds and entertainment, the NCAA said Tuesday night.

The probation, effective immediately, includes a public reprimand and does not affect the football team's eligibility for postseason competition or television appearances.

The probation stems from at least 10 violations by Wisconsin's football program, according to the NCAA's committee on infractions. The violations included illegal payment of airline tickets for a recruit and his family, setting up a two-day stay at a fishing lodge for the family and illegally buying meals for recruits.

The violations, involving the football coaching staff and members of the athletic department, occurred during 1979 and 1980.

"The university considers the penalty imposed to be appropriate to the circumstances and has taken steps to assure that similar recruiting violations will not occur in the future," said Irving Shain, the school's chancellor.

The penalty also calls for an NCAA review of athletic policies and practices at the end of the year — meaning Wisconsin "will be under close scrutiny" by the NCAA for the next year, said Bob Len of the school's athletic department.

"As one faculty member described it to me," Len said, "it's a strike one. It's not bad, but we've got to watch our act."

Ski Jumper Deckert Wins 4-Hill Event

The Associated Press

BISCHOFSHOFEN, Austria — Manfred Deckert of East Germany took first place in the annual four-hill ski jumping tournament, finishing fifth Wednesday in the final event here. Austrian Hubert Neuper, overall champion for the past two years, won Wednesday with 240 points on efforts of 103 (about 340 feet) and 102.5 meters.

Roger Rund of Norway, an early favorite in the competition at German and Austrian sites, was second overall despite a disappointing 19th-place finish Wednesday. His countryman, Per Bergand, was third in the overall standings. Finishing second and third on the final day were Norwegian Halvor Angbøl and Austrian Armin Kogler, respectively. Angbøl turned in the day's longest jump, 165.5 meters, on his first attempt.

Deckert took a comfortable lead into the competition here; only a total default would have cost him the overall title.

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